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LATIN AMERICA

THE LAND OF OPPORTUNITY

A REPRINT OF OFFICIAL REPORTS
AND SPECIAL ARTICLES



Prepared by

JOHN BARRETT

The Director of the International Bureau of the American Republics

Formerly United States Minister to Argentina,
Panama, and Colombia



2 LAFAYETTE SQUARE
WASHINGTON, D. C., U. S. A.

1909



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NOTE.

The material in this pamphlet is reprinted in response to a demand, which constantly reaches the International Bureau from various parts of the world, for one or all of the reports and articles quoted. Each paper was originally reprinted in an individual pamphlet, but the call soon exhausted the supply. As a matter of economy in publication, all are now combined under one cover. There is some repetition and a slight divergence of statistical figures due to different dates of original publication, but this is unavoidable under the circumstances.

TO THE
INTERNATIONAL
BUREAU OF
STATISTICS

THE UNITED STATES AND LATIN AMERICA"

SOME SPECIAL PHASES NOT COMMONLY CONSIDERED OR UNDERSTOOD OF THE COMMERCIAL AND GENERAL RELATIONS OF THE UNITED STATES WITH HER SISTER AMERICAN REPUBLICS.

The purpose of this report is to present a special view of our sister American republics and awaken greater interest throughout the United States in their progress and development.

The time is at hand that calls for what might be termed a widespread Latin American movement in the United States. The commercial, economic, and social conditions of our southern neighbors invite our immediate and particular attention. To say that it may be "now or never" with North American prestige and trade in Central and South America is not a statement of an alarmist or pessimist. It is a simple and logical conclusion drawn from a thorough study of the actual situation.

There never was a period in the history of the relations of the United States with her sister American republics which afforded such combined opportunity and necessity as the present for the development not only of our moral influence but of our commercial interests. On the other hand there never was a time when European nations and business interests put forth such efforts as they are now legitimately exerting to increase their own prestige and trade in South America. Although the situation should be one of closest rivalry where the United States can and ought to win, if it does not give Europe too long a start the advantage now is decidedly with the latter. There is no gainsaying the fact that Latin America to-day is strongly inclined to be more sympathetic in its actual likes and dislikes with the old world than with the United States, because of plain reasons of race, language, and association which are discussed later on.

CREDIT TO CONSULS AND SPECIAL AGENTS.

Too high praise can not be given to our consuls throughout Latin America for their excellent trade reports, nor too much credit allotted to the special agents who have recently visited this part of the world and carefully described the commercial conditions and opportunities.

^a Published first in part, September, 1906, when Mr. Barrett was United States minister to Colombia, in the Daily Consular and Trade Reports of the Department of Commerce and Labor, and republished in full, February, 1907, by the International Bureau of American Republics.

This report, however, does not trespass on their specific field nor expect to compete with them in figures of trade exchange, country by country, or in a statement of articles that can be bought or sold. It rather discusses other phases of our commercial, social, and general association as these affect the expansion or contraction of our commerce and prestige. We may go on writing about trade opportunities until doomsday, but, if we do not get at the bottom of our relationship with Latin Americans, we will never make the conquest of their markets and affections—an absolutely necessary combination for permanent good—which is the goal of our effort.

There are, of course, many North Americans doing business with or in Latin America to whom what is written in this report is not



NORMAL SCHOOL, CITY OF MEXICO, MEXICO.

In 1885 the Mexican Congress appropriated 100,000 pesos to found a normal school in the capital of the Republic. The course of study covers a period of four years. A normal school for girls was established in 1890.

new. Most of our diplomatic and consular representatives are also aware of the facts stated, but the great majority of our people are unfamiliar with the true situation and it is to them that this discussion is directed.

LATIN AMERICA MOVING RAPIDLY FORWARD.

Many of our sister republics are now making a progress that challenges the attention and respect of the world. Some of them are going forward with such splendid energy that they are running a close race with the past records of the United States and the present achievements of Japan. Others are on the verge of a progressive



A SECTION OF RIO DE JANEIRO'S BEAUTIFUL HARBOR.
The building shown in the center of the background is the new Military School.

growth that will astonish skeptical critics of the Latin race and delight knowing admirers of their latent possibilities.

In short, it is safe to predict a forward movement during the next decade for the Latin American republics that will give them a position and prominence among the nations of the earth not thought possible a few years ago. It will bring to them a commerce for which the United States and Europe will compete with every resource at their command.

That the writer may not be deemed overenthusiastic or be too severely arraigned by pessimistic interpreters of the future, he desires



THE RAILROAD STATION AT SÃO PAULO, THE CHICAGO OF BRAZIL.

It was built by the English company operating the tidewater railroad over which is transported the larger part of the coffee exported through the port of Santos. It is one of the most beautiful buildings of its kind in South America and cost, approximately, \$1,500,000.

most humbly to point out that all the predictions he made ten and twelve years ago, while United States Minister to Siam, about the future of Japan and the general commercial development of the Far East, and which caused him to be called many unpleasant names by those who opposed his views, have more than come true in every respect. The premises on which he based these predictions, while outlined as a result of careful study and investigation, were not any more secure than those on which he bases his faith in the future of Latin America.

PRESENT VALUE OF LATIN AMERICAN TRADE.^a

To impress upon the minds of those who are very practical, the importance from a strictly commercial standpoint of the field being discussed, it is desirable before proceeding further to give some general figures covering the present extent and value of Latin American trade.

A careful estimate based on the official figures of 1903, 1904, and 1905, shows that the total foreign trade, exports and imports, of the 20 Latin American republics from Mexico and Cuba south to Argentina and Chile, amounts now annually to the magnificent and surprising total approximately of \$1,800,000,000 gold. The exports and imports stand about in the ratio of 5 to 3; that is, the former represent three-fifths and the latter two-fifths of the total. Exportations, therefore, can be placed at about \$1,080,000,000, and importations at \$720,000,000. Now if we went no further into this investigation, these remarkable sums alone, which show almost a phenomenal advance over those of ten years ago, would be incontrovertible arguments in favor of the United States bending its energies to increase its commerce with Latin America. Although they speak eloquently in support of the writer's contentions about the trade and progress of the Latin republics, let us note just where our country stands.

EXPORTS AND IMPORTS OF THE UNITED STATES.

The total exports of the United States in 1905 to Latin America were valued at \$182,000,000; the total imports from Latin America to the United States at \$309,000,000. This means that there is an annual balance of \$127,000,000 against the United States which Latin America, in turn, uses to buy a vast quantity of articles in the more enterprising markets of Europe. Considering the greatness of the United States, the variety of its manufactures and products, and its conditions of demand and supply, there is no valid reason why it should not now sell to Latin America as much as it purchases from it.

If we study the exports and imports of the United States from all parts of the world, we find additional proof that we are not carrying on the trade with Latin America that we ought to conduct. Only 10 per cent of our huge total of exports went to Latin America in 1905, although the latter's imports are valued at over \$1,000,000,000; and only 20 per cent of our immense total of imports found their origin in that part of the world whose exports are valued at \$720,000,000.

^a Later figures appear in other articles reprinted in this pamphlet.



SCENE AT THE HIPPODROME, THE JOCKEY CLUB'S RACE COURSE, BUENOS AIRES.

This is one of the world's largest and best-equipped race courses, covering an area of 50 acres. The season is from March to January. The races are well patronized, as many as 50,000 persons being in attendance on gala days.

LATIN AMERICA AND THE FAR EAST COMPARED.

The markets of the Orient are of vast importance to the United States, but it can not be successfully contended that they will be permanently more valuable to us than those of Latin America, just because the former at the present moment buys more from us than the latter. If we had devoted one-third of the energy and spent one-tenth of the money in developing our interests in our sister republics that we have in the Far East, our trade with Latin America would be double what it is with the east coast of Asia. The total value of the foreign commerce of Latin America, having a com-



THE CHURCH OF SAN FRANCISCO, QUITO, ECUADOR.

It is one of the largest and oldest convents of the capital. The city is situated near the equator, at an altitude of 9,371 feet, and has recently been connected by rail with the coast.

paratively small population, is far in excess of that of the Far East, north of Hongkong, having an enormous population. Argentina, with only 6,000,000 people, bought and sold more in 1905 than China with 300,000,000, or Japan with 40,000,000. The foreign commerce of Chile, whose population does not exceed 3,500,000, was greater than that of eastern Siberia, Korea, Siam, Indo-China, and the Philippines combined, with a population of 50,000,000.

The writer is an earnest advocate of trade development with the Far East and has always labored hard to awaken interest in its vast

potentialities ever since he first went to Asia as American minister in 1894. These facts are stated, therefore, not to decry in the least the value and importance of our commerce there, but to emphasize by comparison the value and importance of the opportunity in Latin America.

APPRECIATION OF LATIN AMERICA.

The writer admits that he seems to speak with an element of prejudice. Frankly he likes Latin America and Latin peoples. The more he sees of them the better he respects them. Would that more North Americans could become better acquainted with South Ameri-



THE AUTOMOBILE IN URUGUAY.

The French car predominates in Uruguay, as in Brazil, Argentina, and other South American Republics. Well paved streets and suburban roads in and around Montevideo make motoring a popular pastime.

cans, study more intimately their impulses, ambitions, hopes, achievements, and see things from the Latin American standpoint. Otherwise expressed, it would be a signal blessing to international Pan-American accord and it would inaugurate a new era immediately in the relations of the United States with her sister American republics, if, in thinking, writing, and speaking of them, their peoples, and their politics, we could follow the old Biblical adage and remove the beam from our own eye before looking for the mote in that of the Latin American. Of this very important point more will be said later on.

A CRITICAL TIME FOR THE UNITED STATES.

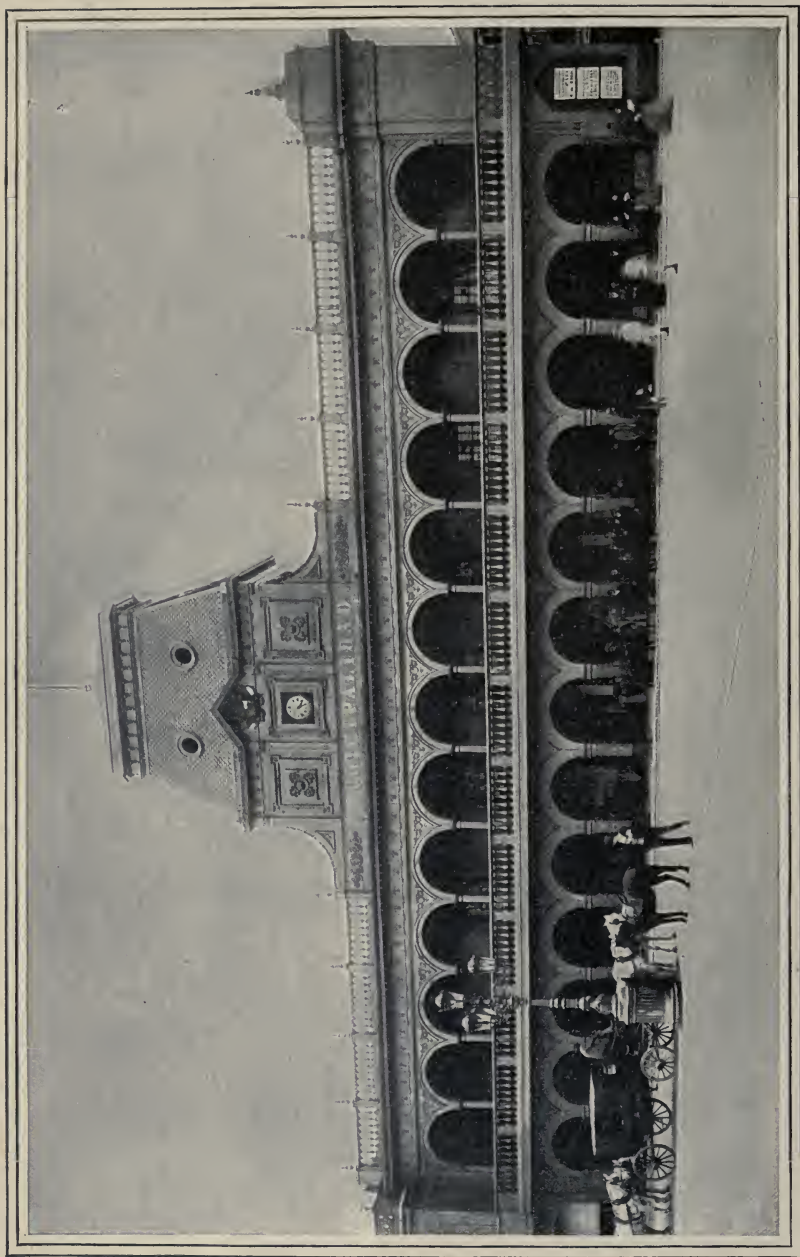
This report is phrased in direct and earnest terms because the writer believes what he says. As suggested in the first paragraph, he holds that the United States has reached a most critical period in its relations with Latin America. What is done or accomplished during the next few years may determine forever the relative position of North American trade and prestige in Central and South America. The Pan-American Conference in Rio Janeiro and the visit of Secretary Root to South America should awaken sufficient interest throughout the United States in this part of the world to inspire our people, in general, and our newspapers, our manufacturers, our merchants, our Congressmen, our travelers, and our students of foreign intercourse, in particular, to a new and active appreciation of the Latin American republics.

Without half the reason we have for improving the opportunity. European commercial, financial, and diplomatic interests, with commendable judgment and spirit which we can not criticise but must admire, are alive to the situation and doing everything legitimately in their power to gain a hold of which they can not be dispossessed. They keenly realize the present and future possibilities of the material and economic exploitation of Latin America, and they are leaving no stone unturned to gain the necessary advantages before the manufacturers and tradesmen of the United States suddenly become aroused to the situation and compete for its control.

FACTORS UNFAVORABLE TO NORTH AMERICA.

The first great factor unfavorable to North American trade and influence in Latin America is the essential difference in lineage and language, but this point is little appreciated. The power of similarity in race and tongue is mighty. Kinship in these respects brings men closer together. It makes them more sympathetic, and this counts much in Latin countries. The average North American, instead of carefully studying methods of counterbalancing these conditions adverse to his progress in Latin America and of adapting himself thereto, undertakes an independent line of action and ultimately fails in his purpose.

The second great factor is corollary to the first, and it is one of which, in our seeming abundance of knowledge and self-confidence, we are lamentably ignorant. Frankly termed it should be called the "holier than thou" attitude, too commonly and persistently assumed by North American statesmen, newspapers, writers, travelers, and business agents when discussing or dealing with Latin America. In other words, the people of the United States have too much and too characteristically "patronized" the peoples, customs, institutions,



THE MUNICIPAL BUILDING OF LIMA, IN THE PLAZA MAYOR.
A typical example of Latin-American architecture.

achievements and governments of their sister American nations. Per contra, we should give Latin America more credit for its actual and praiseworthy progress in developing stable national and municipal government, in promoting both high class and general education, in making its own excellent literature, historical and romantic, in advancing scientific investigation and invention, in solving grave social and economic problems, and comprehensively striving under difficult conditions to reach a higher standard of civilization.

OUR IGNORANCE OF LATIN AMERICA.

How few North Americans realize that Latin American history during the last four centuries is replete with incident and event, names, and results that compare creditably with those of the United States, Europe, and Asia. How few know the names of the great heroes, statesmen, writers, and scholars who have figured prominently in evolving the Latin America of to-day. How few are aware that the principal countries and capitals of Latin America have groups of eminent scholars, scientists, and philosophers, as well as universities and professional schools, which are no less advanced than similar groups and institutions in the United States and Europe.

How few North Americans, moreover, of high position in public life, in literary, scholastic, and scientific circles, visit Latin America and exchange courtesies with their fellow-statesmen and students, as they do with those of Europe. No greater blessing to Pan-American accord could now be bestowed than an exchange of actual visits and views of the leaders of Pan-American thought and action. Latin America is too much accustomed to seeing and meeting only those North Americans who are intent on making money, securing this and that concession, and thinking only of selfish material considerations and a return, with pockets filled, as soon as possible to the United States.

A change, a renaissance in higher class association, acquaintance, and friendship, will not only start an era of good will and better mutual appreciation, but indirectly prove an extraordinary advantage to commerce and trade. European countries long ago realized the distinct advantage of such intercourse with, and knowledge of, Latin America and have improved every opportunity to promote more intimate acquaintance.

NORTH AMERICANS MUST LEARN OTHER LANGUAGES.

As to language it is difficult to write with patience. So small is the percentage of North Americans visiting Latin America on business or pleasure who speak Spanish, or Portuguese, or French, that it



STATUE ERECTED IN HONOR OF ASPINWALL AT COLON.

This statue was erected in 1867 by the Panama Railroad Company in honor of William H. Aspinwall, Henry Chauncey, and John L. Stephens, the three leading spirits in the promotion and construction of the road. It is a three-cornered monument, each side bearing a head in relief representing one of the pioneers of industry.

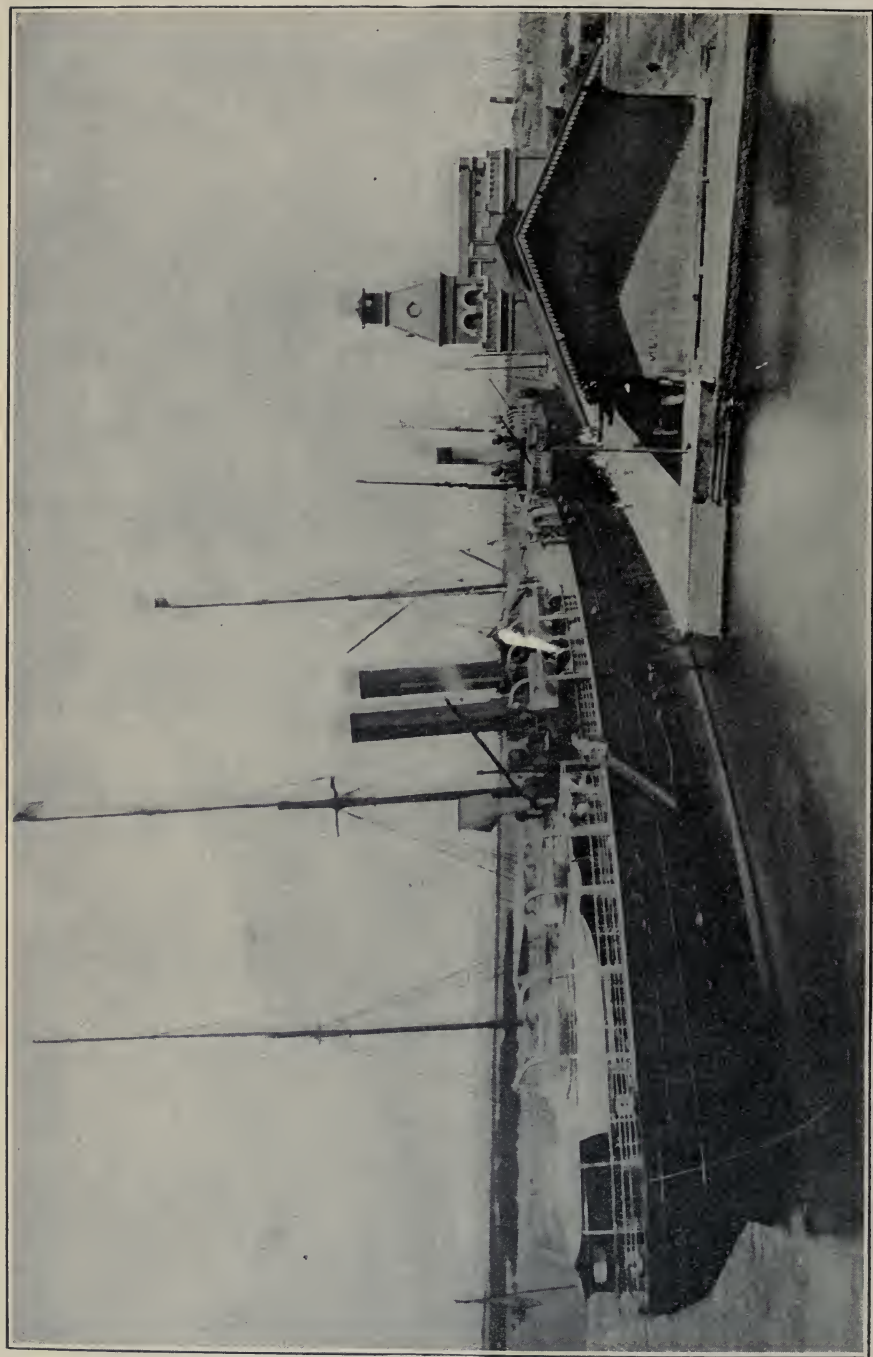
is a wonder that they make any progress in their plans. Ninety-five per cent of the Europeans who go to Central and South America understand one of these tongues. French is mentioned because nearly all the well-educated Latin Americans speak that language. This subject requires no argument—it is simply impossible for the North American who knows none of these languages to become thoroughly “*sim-pático*” and to master the Latin point of view in either commercial or political relations. I would that both our business schools and regular colleges might make the study of either Spanish, French, or Portuguese compulsory in order to receive a diploma. Portuguese is more important than is generally regarded, because it is the working language of Brazil—and Brazil to-day is taking rank as one of the great nations of the world; but the average well-to-do Brazilian also speaks French.

LACK OF FAST STEAMSHIP FACILITIES.

In studying the causes that act as deterrents to Pan-American accord we must emphasize the lack of first-class passenger and mail steamship service, such as characterizes the systems of communication between Europe and Latin America. The long-established and well-defined association of Latin Americans with Europe has been immeasurably encouraged by the excellence of steamship facilities, which have given them ready access to the satisfactory conditions found there in turn for business transactions, education of families, and enjoyment of leisure and travel. If the average merchant and traveler of South America could reach New York with the same comfort and speed that he can proceed to Paris, there would be at once a vast and radical change in the situation favorable to the United States.

This statement is not introduced as an argument for a “subsidized” merchant marine. The writer is not discussing the pros and cons of that mooted issue. He is simply stating a fact and describing a condition. That there is not one first-class mail and passenger steamer flying the American flag and running between New York in the United States and such important South American points as Rio Janeiro and Buenos Aires was given glaring prominence by the experience of the delegates to the recent Pan-American Conference in Rio Janeiro. Only a few took accommodations on the foreign vessels that make direct trips from New York to the great capital of Brazil. All the others went via Europe, where six different lines provide a score of splendid, modern, up-to-date, fast ships between the principal ports and those of South America.

No Latin-American merchant or capitalist is going to North America on slow boats when there are numerous fast steamers bound for Europe with as fine arrangements as our trans-Atlantic liners. This



PUERTO CABELLO (PARTE DEL PUERTO), VENEZUELA.

is axiomatic, but it means the loss of millions of dollars of trade to the United States every year, according to the direct testimony of South Americans themselves. It is true that there are excellent freight-steamship facilities between North and South American ports, but they do not meet the passenger requirements any more than would a purely railway freight service suit the passenger traffic between New York and Chicago.^a



MONROE PALACE, RIO DE JANEIRO, BRAZIL.

The Brazil Building at the St. Louis Exposition, removed to Rio de Janeiro and erected on the Avenida Central.

REVOLUTIONARY MOVEMENTS EXAGGERATED.

Too much importance is now attached in the United States to the idea that revolutions prevail all over Latin America and that, therefore, commerce and investments are insecure. This conception of Latin America as a whole is entirely erroneous and does our pro-

^a Since the above was written a foreign steamship company has put on several new boats of good passenger accommodations.

gressive sister republics a great injustice. The continent of South America to-day is free of serious insurrectionary movements, with few, if any, indications of more civil wars. The recent conflict in Central America was unfortunate, but it served to emphasize the firm peace and prosperity of Mexico. The tendency of public opinion and the powerful influence of large business interests in such great nations as Mexico, Brazil, Argentina, Chile, and Peru is all against revolutionary movements, and, although now and then some slight sporadic attempt shows itself, it is most difficult for it to grow into dangerous proportions. Then, again, the gridironing of these countries with railways permits the immediate sending of troops to any place and crushing without delay incipient revolts.

OTHER IMPORTANT CONSIDERATIONS.

Having enlarged upon some of the most important general considerations bearing on our commercial and friendly relations with Latin America, it is now well to enumerate, without comment, a few specific but still interesting agencies that demand attention, improvement, or development, such as—

(a) The extension of the work and sphere of usefulness of the International Bureau of American Republics in Washington, D. C.;

(b) The invariable appointment of men of culture and refinement, combined with energy and tact, as ministers and consuls to Latin American capitals and ports;

(c) The sending of business representatives or traveling salesmen who are always gentlemen and speak Spanish, Portuguese, or French;

(d) The manufacture in the United States or adaptation of articles to suit the local Latin American demand;

(e) The giving of credit to reliable purchasers, as is done by European shippers, instead of always exacting payment in advance or on shipment;

(f) The use of greater care in packing goods for the long distance to be traveled, for the severe changes of climate, and for the size of parcels required in different markets;

(g) The opening of North American banks, or branches thereof, in the principal cities of South America;

(h) The inducing of young Latin Americans to come to our technical and professional schools instead of going to those of Europe;

(i) The popularizing in our schools and colleges of the study of Latin languages, history, institutions, etc.;

(j) The early building of Pan-American railway connections so that North, Central, and South America may be literally united with ties of steel;

(*k*) The investment of North American capital in the resources, mines, industries, and in the construction of railways, tramway, and electric-light plants, in the more peaceful and progressive countries of South American; and

(*l*) The correction, through the careful diplomacy of our ministers and consuls and the just policies and methods of our business men, of the false impressions in regard to the intentions of the United States toward Latin America as existing in the minds of some Latin American editors and publicists, and the gradual development, in place



PETROPOLIS, A MOUNTAIN SUBURB OF RIO DE JANEIRO.

Here the foreign diplomats make their permanent homes because of the delightful climate and the proximity to the capital.

thereof, of a kindly attitude toward their Yankee sister republic so often described as the "Yankee Colossus" and "Yankee Peril."

In conclusion I have only to submit humbly that I hope every person whose interest in the relations of the United States with the Latin American Republics may have been awakened or increased by this little study of the situation may find time to visit Latin America—to make the "grand tour," like Secretary Root, down the Atlantic coast and up the Pacific, or vice versa, via Argentine and Chile, and confirm with his own eyes the truth of all that I have related.



BOLIVAR'S STATUE, BOLIVAR SQUARE, CARACAS.
(Courtesy of the Venezuelan Government.)

THE LAND OF TO-MORROW^a

A BIRD'S-EYE VIEW OF SOUTH AMERICA, OUR NEIGHBOR CONTINENT—THE FABULOUS RICHES LOCKED UP IN ITS FORESTS, PLAINS, AND MOUNTAINS—TREMENDOUS POSSIBILITIES OF DEVELOPMENT, MUCH OF WHICH HAS ALREADY BEGUN.

South America is distinctly the land of to-morrow. It is a continent of vast and varied possibilities. The traveler and the scholar or the merchant and the promoter will find its people, problems, and potentialities of compelling interest. And yet the ignorance prevailing generally throughout the United States in regard to this great southern continent is almost appalling. The average American, with all his close study of Europe and Asia, has neglected the history, growth, and characteristics of our sister American republics. He has been so absorbed, moreover, by our own astounding material progress and our home politics that he has given no heed to the industrial and economic movements and to the administrative achievements of South America.

Now, the whole world is beginning to turn its eyes southward. Europe has been gazing thither longer than the United States—and has results to show for her attitude. Even Japan, China, South Africa, and Australia are discussing, more than we appreciate in the United States, the valuable opportunity for the extension of their commerce and trade with that wealthy, resourceful continent which is so accessible by either the Atlantic or the Pacific. More attention is given by the press of Europe to South America in a week than by all the papers of the United States in a year. There are many signs of increased interest, however, throughout this country.

The International Bureau of American Republics at Washington, of which the writer is the Director, finds particular evidence of this wider interest through the growth and nature of its correspondence. The Bureau, founded sixteen years ago (1890) by the first Pan-American Conference, over which James G. Blaine presided, is maintained by the 21 republics of the Western Hemisphere, each of which contributes annually a certain sum in proportion to its population. Their diplomatic representatives in Washington constitute its governing board, of which the Secretary of State of the United States is chairman *ex officio*.

Although the Bureau has done excellent work in the past, its responsibility and programme were broadly enlarged at the third Pan-American Conference, held in Rio de Janeiro last summer. It is the intention of the International Union of American Republics—

^a Reprinted from Munsey's Magazine, June, 1907.

the official name that represents their united action—to make the Bureau a practical, world-recognized office and agency not only to build up commerce and trade among all the American republics, but to promote closer relations, to establish more friendly intercourse, to bring about a better understanding one of the other, and to assist the approach to one another on the educational, intellectual, moral, and social as well as material and commercial side. This is an ambitious scheme, but it is all possible of attainment.

The most encouraging feature of the new interest in the Bureau's work is Andrew Carnegie's generous gift of \$750,000, with which to



THE PAVILION FOR ZEBUS AT THE ZOOLOGICAL GARDENS, BUENOS AIRES, ARGENTINE REPUBLIC.

The Zoological Gardens are situated in the large and beautiful Palermo Park, which comprises an area of about 1,000 acres. The grounds are artistically laid out, and there are a number of artificial lakes, as well as attractive walks lined with shrubbery and trees. The principal species of animals are housed in separate buildings. These gardens become popular resorts on Sundays and holidays, at which time thousands of people visit them to inspect and admire the large collection of animals.

erect a permanent home, or Temple of Peace, as he appropriately names it. This large sum, with the amounts appropriated by the United States and other American governments for the site—about \$250,000—provides the Bureau with \$1,000,000 for a new plant and equipment. Facing the so-called White Lot, below the White House and State, War, and Navy building, in Washington, a structure will be erected,^a not only noble in architecture and helpful in the con-

^a It is now (July, 1909) nearly completed, and will be occupied in November, 1909.

summation of the Burnham plan for beautifying the capital, but also suited in every way to the practical carrying out of the work of the Bureau.

South America has many extraordinary features of natural and artificial development that surprise the uninformed. For example: How many people realize that Brazil could completely cover the United States proper and still have room for another New England, New York, Pennsylvania, and Virginia combined; that out of the Amazon River flows every day three times the volume of water which flows from the Mississippi, and out of the Parana twice that of the North American queen of waters. These great South American streams afford incomparable opportunities for interior navigation and the development of commerce.

The North American does not stop to think, when he remembers the old geographical story about the beautiful harbor of Rio de Janeiro and the threadbare legends of yellow fever, that this capital of Brazil now has a population of 900,000, and is growing as fast as Boston, St. Louis, or Baltimore; that it spent more money for public improvements last year than any city in the United States excepting New York; and that to-day it is one of the most interesting national centers of civilization, industry, art, literature, and education in the world.

Again, how many North Americans know that Buenos Aires, the capital of Argentina, is the largest city in the world south of the equator; that it is the second Latin city, ranking after Paris, in all the world; that it now has a population of 1,200,000 and is growing faster than any city in the United States excepting New York or Chicago?

If surprised at this statement, they might be interested to learn that in Buenos Aires is the finest and costliest structure in the world used exclusively by one newspaper, the home of "*La Prensa*;" the most magnificent opera house of the Western Hemisphere, costing more than \$10,000,000 and erected by the Government; the handsomest and largest clubhouse in the world—that of the Jockey Club; the most expensive system of artificial docks in all America, representing an expenditure of \$50,000,000.

At Lima, Peru, and at Cordoba, in Argentina, are universities whose foundations antedate Harvard and Yale. There are so many other high educational institutions which go back to the sixteenth century that we fully appreciate the compliment Secretary Root paid to South America when he said that the "newer" civilization of North America had much to learn from the "older" civilization of South America. Among the ruins of the Incas in Peru, Ecuador, and Bolivia are evidences of a wonderful age of material and intellectual development that long preceded the Spanish Con-



LEZAMA PARK, BUENOS AIRES.

This is one of the popular parks of the city. Its location on a beautiful hill is picturesque, from which can be seen the surrounding suburbs of La Boca and Barracas, and a long stretch of La Plata River. The Russian church is shown in the background of this view.

quest, and are equaled in North America only by the similar ruins of the Aztecs in Mexico.

Referring now to exceptional commercial phases of South American development, there are some remarkable points to be borne in mind. It is predicted that within one or two years Argentina will export more wheat than the United States. Two other startling possibilities are linked with this: One is, that refrigerated beef, grown and killed in Argentina, will soon be shipped to New York, and will there be sold under the present so-called trust prices; and the other is that in a decade the northern section of Argentina will become a great cotton-growing country, competing successfully with our Southern States.

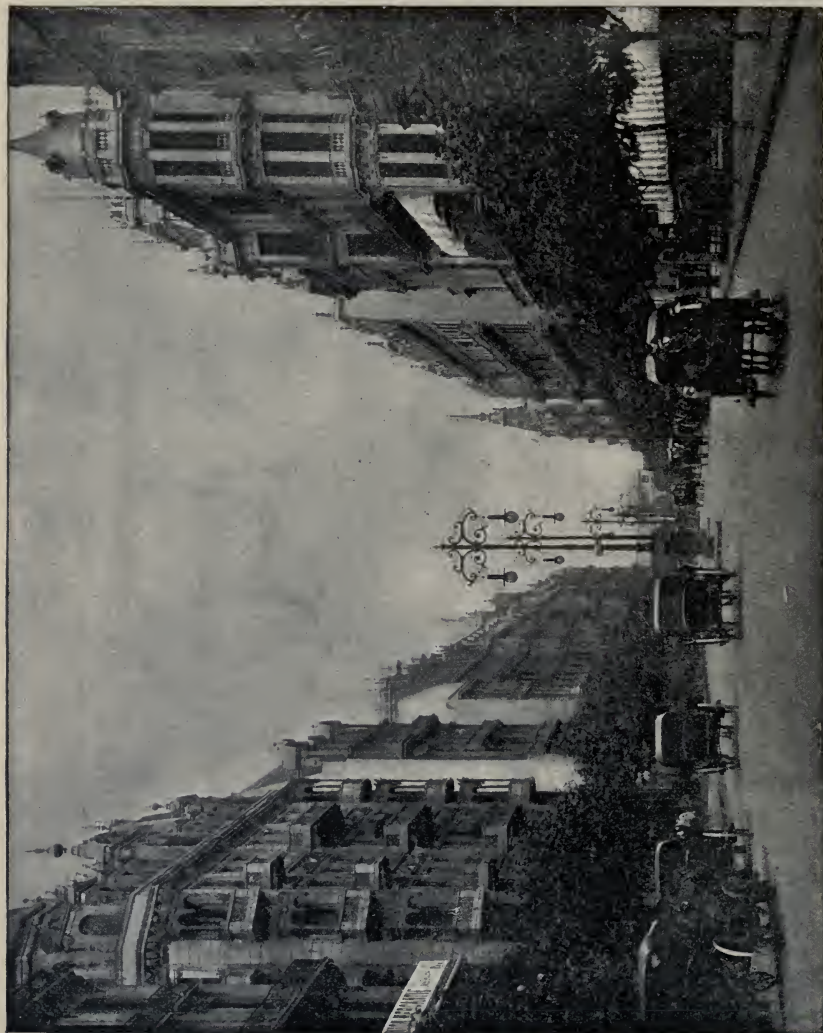
REMARKABLE RAILWAY CONSTRUCTION.

The North American railroad man may be surprised to learn that between Chile and Argentina is being constructed one of the long tunnels of the world. The highest points and most difficult construction that have ever been encountered in railway extension are found in Peru.

All over South America elaborate programmes for new railroads are being worked out. Argentina is already gridironed with excellent systems. Chile is pushing lines in all directions. Brazil is preparing to penetrate her vast jungles and connect distant points with Rio de Janeiro. Bolivia is spending more than \$50,000,000 in new work, while Colombia, Ecuador, Peru, Uruguay, Paraguay, and Venezuela are considering various practical and needed plans for new construction.

Throughout the United States interest is growing in favor of building, or aiding to build, a Pan-American railway, or connections, that will literally unite North and South America with ties and bands of steel. A permanent committee, created by the second Pan-American Conference, at Mexico, in 1901-2, and continued by the third conference, at Rio de Janeiro, in 1906, has at its head such men as ex-Senator Henry G. Davis, of West Virginia, and Andrew Carnegie, who not only are deeply interested in its consummation, but have the money themselves to undertake the work, if necessary. Charles M. Pepper, an authority on South American matters, recently made a careful study of the plan, and gave his conclusions in an elaborate favorable report. Elihu Root, Robert Bacon, and W. I. Buchanan approve the project.

The average North American may not realize that a perpendicular line drawn south from the Statue of Liberty in New York Harbor would find nearly all of South America to the east of it. This admission sorely distresses the person who thinks of South America as directly south of the United States, but it is true nevertheless.



AVENIDA DE MAYO, BUENOS AIRES.

Likewise, few stop to think that northeastern South America bulges out so far into the Atlantic that it is necessary for a ship or traveler from a North Atlantic port to proceed eastward a distance about equal to that of going to England or France before rounding this bulging point and continuing southward to Rio de Janeiro, Montevideo, and Buenos Aires. South America in its relation to North America ought really to be called "Southeast America."

On the map, as we commonly study it, South America looks much smaller than North America. If we omit the great barren, frozen end of North America, or, on the other hand, leave out Alaska, South America would, in fact, entirely cover North America from Panama



RAILWAY STATION, PORT AU PRINCE, HAITI.

Port au Prince is connected by rail with l'Etang-Saumatre and Lake Assuéli. A railway is also under construction between the city and Gonaïves. Other lines building will join the capital with Cape Haitien and Perrin.

to Bering Sea. Although we think of South America as possessing a large waste area due to tropical heat, this portion is not any more extensive than that of North America lying barren under lasting snows or continued cold. The Tropics, moreover, as a result of marvelous vegetation, will support a great population, while the severely cold regions must always be thinly populated.

SURPRISING COMPARISONS OF AREA.

Comparisons often help us to grasp the size of unknown portions of the world. Brazil has already been mentioned as exceeding the United States proper in extent—the excess in favor of Brazil being about 200,000 square miles, or four times the area of New York.

In Argentina, located in the South Temperate Zone, with a climate like that of the United States, could be placed all that part of our country east of the Mississippi River plus the first tier of States west of it.

Bolivia is comfortably half a dozen times larger than the combined areas of New York, New Jersey, Pennsylvania, and Delaware. Into Chile could be put four Nebraskas.

Peru would obscure, if placed over them on the map, California, Oregon, Washington, Nevada, Arizona, Utah, and Idaho.

Paraguay is only four times bigger than the State of Indiana, while little Uruguay could wrap within its limits North Dakota.

Texas could be lost twice in Venezuela and still leave room for Kentucky and Tennessee.

On the globe, Ecuador does not spread like a giant, but it could hold all New England, New York, and New Jersey.

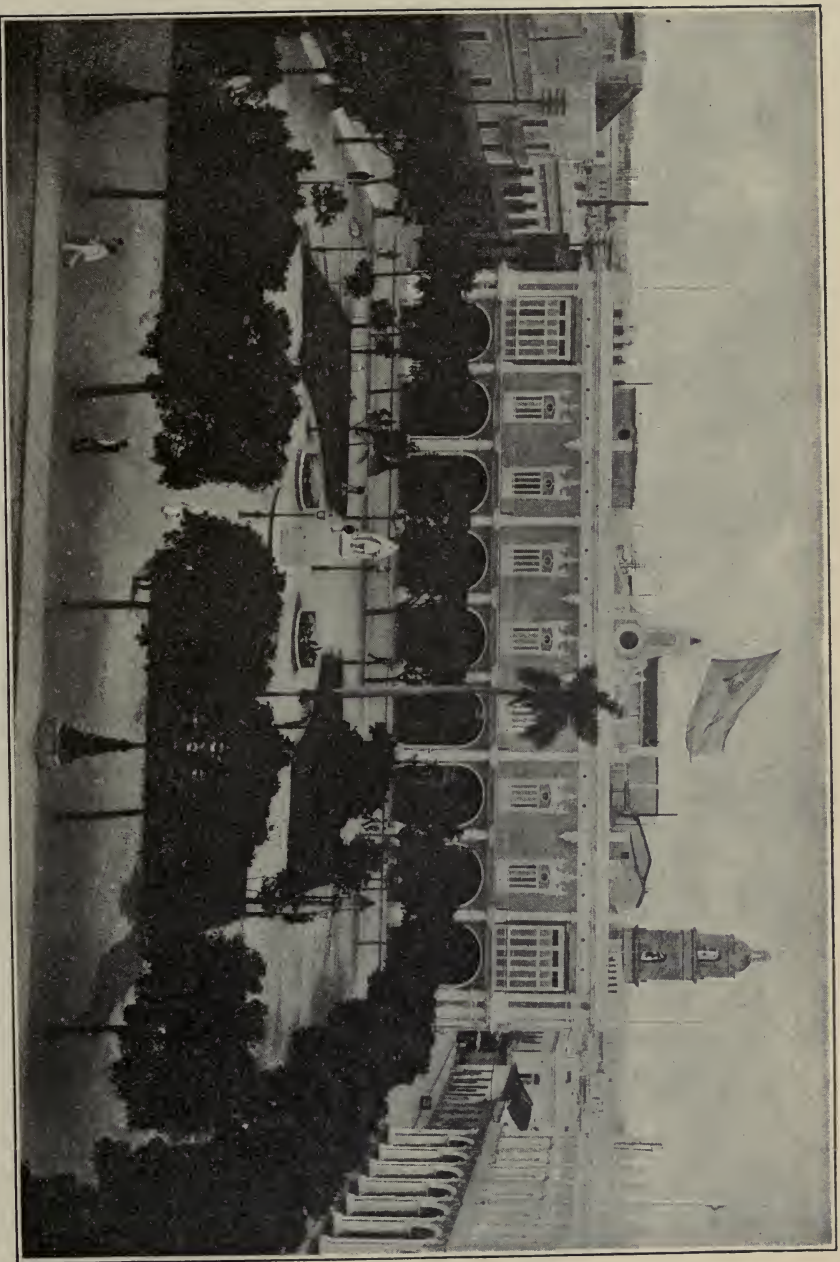
Finally, there is Colombia, a land of splendid promise and mighty resources, whose nearest port is only 950 miles from the nearest port of the United States. This Republic has an area as great as that of Germany, France, Holland, and Belgium combined.

These comparative data may aid in increasing respect for the "small" South American Republics, which are too often mentioned throughout the United States in a patronizing manner.

A sad mistake is frequently made in considering the climate of our neighboring continent. Because it is called "South" America, the general supposition seems to be that it is all hot! A look at the map appears to support this theory. A large portion of the northern end is wholly in the tropical zone, and the equatorial circle passes across northern Brazil and Ecuador.

Probably, however, it is not remembered, except by special travelers and expert authorities, that vast sections of Colombia, Venezuela, Ecuador, Peru, and Brazil possess wide-reaching high plateaus where, on account of the elevation above the sea, the climate is as cool the year round as that of our Southern States in October. The temperature is so equable and favorable that there can be grown all the products of the Temperate Zone.

Altitude effects a very remarkable physical phenomenon in climate. For instance, if a man standing on the equator at sea level mounts a mule and rides straight up into the mountains for 5,280 feet, or 1 mile, he will experience as great a change of temperature and vegetation as if he traveled 1,500 miles due north by land or sea; if he continues on higher to the plateaus of 10,560 feet altitude, or 2 miles up, he will find a difference as great as if he journeyed 2,500 miles north on the surface of the earth.



THE PRESIDENT'S PALACE, HAVANA.

The President's Palace, formerly the Palace of the Governor-General, was built in 1834, and is one of the finest edifices of the Cuban capital. The main entrance, facing the Plaza de Armas, is of richly carved marble, and in the beautiful interior garden or court stands a famous statue of Columbus. This building has been the scene of many stirring events in the national life.

MULE BACK ALONG STRANGE ROUTES.

Last summer (1906) it was my experience, in company with Mr. Mahlon C. Martin, jr., of Glen Ridge, New Jersey, to make one of the longest journeys over untraveled routes that has ever been undertaken by any American official in South America.

At the time I was United States minister to Colombia and stationed in Bogotá, its remote but interesting capital. Partly in an effort to comply with Secretary Root's instructions to meet him on the west coast of South America during his famous tour of that continent, partly from a desire to study carefully a vast unknown section of South America that will have a great development after the completion of the Panama Canal, and considerably from a spirit of adventure and in quest of strange scenes, I covered, including détours, a distance of 1,500 miles over the high summits and plateaus and through the tropical valleys and deep canyons of the main ranges of the Andes Mountains. Of this 1,500 miles, more than 1,000 were traversed on mules by thirty-one days of continuous sticking to the saddle. The rest of the distance we traveled in railroad trains, steamboats, canoes, afoot, and in automobiles.

Not infrequently we would break camp in the morning at an altitude of 10,000 feet and regret that we were not clad like arctic explorers. By noon we would be lunching under a palm tree with monkeys chattering about and filling us with envy that we were not dressed as sensibly as they. At night we would have climbed up again and sought rest almost under the shadow of perpetual snow. During this one day's journey we had seen growing the vegetation of both Montreal and Panama, and had passed through as many stages of climate and classes of products as we could in a two weeks' trip to and from Canada and the Isthmus.

The country we crossed, from Bogotá to Guayaquil, by way of Quito, in Colombia and Ecuador, now has a population of 1,000,000, largely Indians descended from the Incas. Within a decade after the Panama Canal is constructed, these uplands and valleys should experience a special exploitation, for they could easily support a white population of 5,000,000 and are splendidly rich in both agricultural and mineral possibilities.

THE STORY OF COMMERCE AND TRADE.

The foreign commerce of South America tells a convincing story. It shows us that the field is of critical importance to our manufacturers and exporters. It proves that South America has awakened to a new life, and is buying and selling like any prosperous part of the world.



LA PLATA CITY HALL, ARGENTINE REPUBLIC.

The total foreign trade—exports and imports—of the ten independent South American republics—Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, Venezuela—and of the British, French, and Dutch Guianas, exceeded in 1905 the sum of \$1,200,000,000. Now, if we study the long list of exports and imports of these countries and consider the geographical relations of the same countries to the United States, we say that the latter's share of this trade ought to have been at least \$500,000,000. In fact, it was under \$250,000,000, with a balance against us of nearly \$1,000,000 in the value of their exports over their imports. This situation alone shows that we are not mastering the opportunity as we should, and that



REVIEW OF PERUVIAN CAVALRY ON THE MAIN PLAZA OF LIMA, PERU.

In front of the Government Palace, on the occasion of the inauguration of the President.

Europe is awake to the benefits which will result from keen exploitation.

Argentina's record in material progress rivals Japan's. With only 6,000,000 inhabitants, Argentina astonished the world by conducting in 1906 a trade valued at \$562,000,000—buying and selling more in the markets of foreign nations than Japan with a population of 40,000,000 and China with 300,000,000. Surely these are figures and results which should make us stop and think. Of these \$560,000,000 in foreign trade, the portion of the United States was only \$52,000,000.

Brazil sold to the United States in 1905 coffee and other products worth nearly \$100,000,000, but bought our exports only to the small value of \$15,000,000. Something is wrong here, and the situation is

emphasized when we note the heavy purchases from or in Europe. Chile engaged (1905) in a foreign commerce worth \$140,000,000, but the allotment of the United States was only \$17,000,000. Of almost every other South American country we might sing the same song.

There are now nearly 50,000,000 people living south of the Panama Canal, or a population equal to that of the German Empire. Immigration is pouring rapidly into Argentina, Brazil, Uruguay, and Chile. As admission to the United States becomes more strict, the tide will turn to South America. As it is, nearly 500,000 Italian and Spanish immigrants landed at Buenos Aires during the past year. The totals at Rio de Janeiro, Montevideo, and Valparaiso were, of course, much smaller, but they indicated a marked increase in the number of people leaving southern Europe to seek new homes in southern and middle South America, where the climate is not at all dissimilar to that of their home countries.

While the Spanish language is the common tongue of all South America except Brazil, it must be remembered that the latter has a population of nearly 20,000,000 and occupies nearly half the area of the continent. Portuguese is spoken throughout its limits, and Spanish is seldom heard among its people. The languages are similar but difficult for the same person to understand, unless the ear is carefully trained to the sounds and inflections of both. All well-educated persons in Spanish and Portuguese America speak and read French almost as well as their native tongue.

It would be fortunate if more Americans would try one of three or four trips to South America instead of always running over to Europe or seeking Japan and India. The best general route would be to go down to Rio de Janeiro, Montevideo, and Buenos Aires on the Atlantic coast, cross to Santiago and Valparaiso, and then come up the Pacific coast by way of Lima and Panama, and thence to New York. Such a tour could be made in three months, but it would mean rapid movement.

There are fast, capacious, handsome passenger and mail steamers leaving Southampton, Hamburg, Cherbourg, Lisbon, or Marseilles for Rio and Buenos Aires at frequent intervals; but there are no first-class, large, rapid passenger and mail boats flying the American flag and running from New York or other North American ports direct for the east coast of South America. It is true that there are several foreign lines of semicargo and regular freight steamers, but they do not answer.

There must come an improvement in steamship facilities between the United States and Brazil and Argentina, if the United States is not to be distanced in the race with Europe for trade.



(Copyright—Photograph, by Waite.)

PASEO DE LA REFORMA ON INDEPENDENCE DAY, CITY OF MEXICO.

Mexico's natal day is the 16th of September. On that date, in 1810, a parish priest, Dolores by name, raised the cry, "Freedom from bad government," popularly known as "El grito de Dolores." Mexican independence was proclaimed November 6, 1813. Paseo de la Reforma commences at the foot of the wooded hill on which is situated the Castle of Chapultepec, the summer residence of President Diaz, and extends through the center of the residential section of the city, as far as the colossal equestrian statue of Charles IV, of Spain, the largest in the world. The Paseo is provided with two automobile driveways, two for other vehicles, and sidewalks for promenaders.

SOME MISTAKES OF THE PAST.

If the question were asked: "Why have we not made more progress with our prestige and trade in South America in the past?" it might be said that we have not appreciated and studied South American peoples, nations, governments, habits, and customs as they deserved. There has been a tendency to look down upon our sister republics.

Difference in language and lineage has also worked against us. Instead of our mastering Spanish, Portuguese, or French, we have expected them to understand our English. We have always approached South America on the material side and discussed opportunities for making money without endeavoring to get into closer touch along intellectual, literary, and educational lines, to which South Americans



THE MUSEUM OF IPYRANGA, SÃO PAULO, BRAZIL.

It marks the site of the declaration of freedom from Portuguese rule, which was followed by the establishment of the Empire. The building is remarkable for its size and imposing architecture.

give great attention. We have neglected to realize that their history teems with the exploits of patriotic heroes and with the names of brilliant authors, philosophers, and poets of whom we have no knowledge. Then, we have taken little note of the universities, hospitals, training schools, literary circles, newspapers, libraries, art and scientific museums, which, in proportion to population and opportunity, rival those of North American cities and capitals.

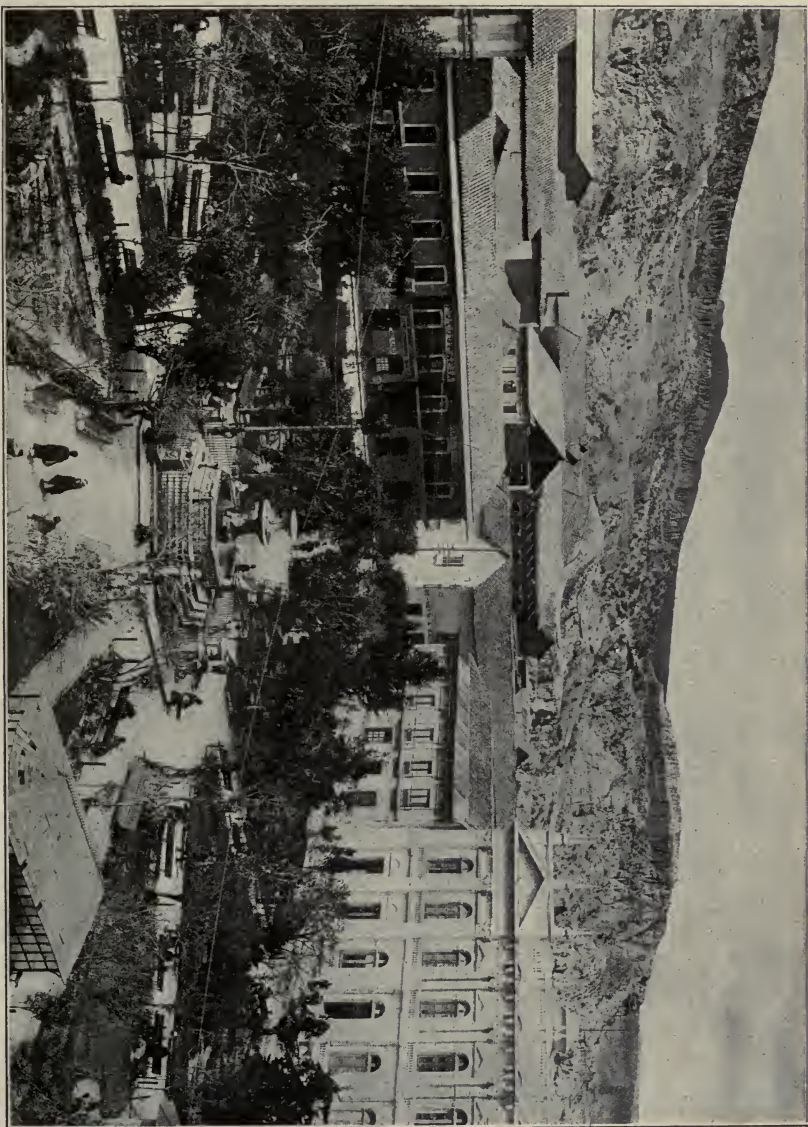
The presence now in South America of Professor Moses, of the University of California; of Professor Rowe, of the University of Pennsylvania; and the prospective visit of Professor Shepherd, of Columbia University, following close on the journey of Secretary

Root, will be productive of great good in inaugurating a new era of intercourse and relationship. One of the principal influences that helped to make the mission of Mr. Root a thorough success was the recognition by South Americans of a great intellectual force and noble, statesmanlike character in him that was far above the consideration of barter. They saw in him a man who stood for the best in American contemporary life, and they gave him a welcome that could not have been surpassed in spontaneity, magnificence, expense, and effect, if he had been President Roosevelt or King Edward.

Through his speeches, manner, and personality, Secretary Root accomplished more, in the three months which he spent encircling South America, to bring about a new era of Pan-American confidence and good will than all the diplomatic correspondence and all the visits of promoters and exploiters in a century.

South America is undoubtedly entering upon a new industrial and material movement. Its development during the next ten years will arrest the attention of the world. Its mining wealth and resources alone, especially those of gold, copper, silver, tin, platinum, and nitrate in the Andean States of Colombia, Ecuador, Peru, Bolivia, and Chile, will require the investment of North American capital not unlike that already needed in Alaska and Mexico. If, as statistics certify, \$700,000,000 of North American money have been placed in Mexico, there will be room for many billions throughout the immense territory of all Latin America, from Mexico and Cuba to Argentina and Chile.

There is no limit to the demands upon capital for legitimate railway building, but the requirements for electric tramways, electric lights, for utilization of water powers, for the erection of factories, water-supply plants, sewerage works, telephone and telegraph systems, for agricultural extension, stock raising, and kindred undertakings, offer innumerable attractive opportunities for the personal or combined action and interest of North Americans.



PLAZA IN LA PAZ, BOLIVIA.

La Paz has a population of about 70,000 people and is at a higher elevation than any capital city of the Western Hemisphere. It is the seat of government and contains all the public buildings with the exception of the supreme court and the archbishop's palace, which are located at Sucre, the former capital. While there are many buildings four and five stories high, the average structure is but two. La Paz is the inland terminal of the proposed railroad from Arica, Chile, for which bids have recently been asked. From the most ancient times this city has been famous as the center of a rich gold-producing region, as is signified by its former name, Chuquibamb, meaning "the place of gold."

LATIN AMERICA AS A FIELD FOR UNITED STATES CAPI- TAL AND ENTERPRISE^a ∴

It is my desire to interest every banker and investor in the United States in the industrial and material development of Latin America. For American capital it is a great undeveloped field. It has vast potentialities which are not appreciated. There is no time to be lost. Latin America is on the verge of a forward movement that will astonish the world. Unless American capitalists are up and doing, those of Europe will control the situation and reap the chief benefits.

This is no frightened cry of alarm. It is no despairing shout. It is not a pessimistic wail. On the other hand, it is a simple statement of truth, based on a careful study of Latin America and a diplomatic experience in many of its principal countries covering some six years. I do not ask that heed be given to my story because I tell it, but simply because it narrates facts that any man of common sense, who is familiar with conditions in Latin America, can relate and prove as well as I. Without appearing to lay stress on my personal views, but in order to create confidence in my humble observations, I would recall that a dozen years ago, when I had the honor to be United States minister to Siam in Asia, I made similar prophecies in regard to American commercial and material opportunities in the Orient. These were first ridiculed and even scorned by many of the leading American newspapers. To-day the realization is far beyond what was pictured in my most hopeful descriptions. I have studied Latin America, from Mexico and Cuba to Argentina and Chile, no less carefully than I did Asia, from Japan and China to the Philippines and Siam, and I am now convinced of the truth of all my conclusions.

PRESENT AND PROSPECTIVE INVESTMENT.

There is no better argument in favor of the importance and value of the Latin American opportunity than a citation of what is being done to-day. Mexico, Central America, and Cuba can be passed over with brief references, because they are so much better known in the United States than is South America proper. It is well to remember, however, in passing that, according to the opinion of Señor Don

^a Reprinted from *The Bankers' Magazine*, June, 1907.

This historic plaza covers an area of about 4½ acres. The Government Palace occupies the north side and the Town Hall with its handsome arcades the west side of the square. The Cathedral, in which the remains of Pizarro the Conqueror lie, faces the eastern side of this beautiful plaza of the "City of the Kings."

PRINCIPAL SQUARE, LIMA, PERU.



Enrique C. Creel, the distinguished ambassador (1907) of Mexico in Washington, and a man who stands high both in financial and diplomatic circles of that Government, over \$700,000,000 of money from the United States are invested throughout his country. This shows how eagerly the capital of the United States will seek Latin nations if peaceful conditions prevail. It is a logical conclusion that if this sum is invested in Mexico, there is room for ten times that amount, or \$7,000,000,000, to be placed in South American countries from Colombia to Chile. Of course, I do not mean that this sum can be put in all at once; but there will be a demand and opportunity for it during the next twenty years if the investors of the United States do not let those of Europe take the best chances first. The other day a reliable financial paper in Europe made the significant statement that \$2,000,000,000 of European capital would be invested in South America in various enterprises during the next ten years, and that many of the great financial institutions of Europe were seriously beginning to believe that capital was safer in South America than in the United States. Of this point, in so far as it refers to revolutions, I shall speak pointedly a little later on.

THE CARIBBEAN AND CENTRAL AMERICAN STATES.

In Cuba, already over \$150,000,000 of American money are invested. In Porto Rico, Dominican Republic, Haiti, and the Central American States of Guatemala, Honduras, Salvador, Nicaragua, Costa Rica, and Panama are \$50,000,000 more—and yet all experts who have studied these small countries agree that the development of their resources has only begun. They may be in a somewhat disturbed state, but there is a strong sentiment growing among all of them against revolutions and in favor of permanent law and order. Some people describe the present trouble in Central America as the straw which will break the back of the revolutionary camel and inaugurate a new era of peace and prosperity.

OUR NEAREST SOUTH AMERICAN NEIGHBORS.

Now, coming to South America proper, we have a fascinating field of study. Let us first glance at Colombia, our nearest neighbor, and yet perhaps the least known of the countries on the South American continent. Its Caribbean ports are only 950 miles from Florida. It is closer to New York, Boston, and Philadelphia than Panama and most of the Central American States. It covers an area as large as Germany and France combined. Possessing a marvelous variety of climate from the temperate cold of the wide plateaus of the Andes to the tropical heat of its lowlands, rich with a remarkable variety of minerals, producing almost every important vegetable and timber

growth, and yet in the very infancy of its foreign development and exploitation, it is most tempting for capitalists looking for virgin fields. Although Colombia has had the name of being disturbed with internal strife in the past, it is now, through the wise administration of its President—General Rafael Reyes—gradually substituting confidence and quiet for distrust and conflict. General Reyes is doing all in his power to interest foreign capital in the exploitation of the resources of Colombia. He wants to build trunk and branch lines of railroads over its wide area; to open up its mines of gold, copper, and platinum; to improve the navigation of its many rivers; to carry to market the valuable timber of its primeval forests; to put in electric light and street-car lines in its principal cities, and to take advantage



LANDING WHARF AT PUERTO PLATA, DOMINICAN REPUBLIC.

Puerto Plata, on the north coast, ranks next to Santo Domingo in commercial importance. The town itself is not a large one, the population being about 6,000, but the harbor affords splendid anchorage for a large fleet of ocean-going vessels. It is a prominent shipping point for products of the Republic, and is the natural outlet for the northern provinces.

of its numerous water powers. When I was recently United States minister in Bogotá, its capital, one of the most conservative representatives of a great English banking house told me that Colombia alone could give profitable investment during the next ten years to \$25,000,000 of foreign money.

THE RICH LAND OF THE ORINOCO.

Venezuela may seem a little disturbed at times, but those familiar with its interior agree that, in proportion to area, no other South American country has a more extended variety of resources capable of profitable development. One trip up the mighty Orinoco River



WATER FRONT, PARA, BRAZIL.

The boats are part of the fleet of river steamers belonging to the Amazon Steam Navigation Company, which operates twelve routes on the Amazon and its tributaries. For river traffic Para has 154 steamers, about forty of which belong to this company. Their service extends to the Purus River, 2,255 miles from Para.

and its tributaries will convince the most skeptical that millions of dollars are to be made in taking advantage of what nature has given Venezuela in prodigal supply. Like Colombia, it is almost a terra incognita to the American capitalist or traveler when he gets beyond the Caribbean coast. With these two republics crossed by trunk lines of railroads, with branches into various valleys and upon their high plateaus, they would enter upon a new era of prosperity hardly contemplated at present.

THE COMMON MISTAKE REGARDING THE TROPICS.

I am here reminded to emphasize the mistake that the average North American makes when he classes countries like Colombia, Venezuela, Ecuador, Peru, and Brazil as purely tropical and therefore dangerous for men of the United States and Europe if they expect to spend much time there. It is altitude above the sea rather than nearness to the equator that determines heat or cold. A man who climbs up from the tropical sea level to 5,280 feet, or 1 mile, upon a plateau, finds it cooler and more temperate than if he travels 1,500 miles north or south from the equator. Again, if he goes up 10,560 feet, or 2 miles, upon any one of the numerous high plateaus of the Andes, he will find a far more agreeable and equable climate than if he journeyed 2,500 miles north or south from the equatorial line. What does this suggest? Simply that the so-called and much-despised tropical section of South America, having many large and cool areas wonderfully mingled with low tropical valleys, all of which are characterized by exceptional fertility of soil and variety of resources, will experience an astonishing development when capital realizes the opportunity and feels that it is safe.

Ecuador, which looks small on the map, but which is big enough to include within its area several Pennsylvanias, is a good illustration of this point. Through its entire length for many hundred miles there are fertile, populous Andean uplands, in the center of which is located its capital, Quito. In a short time a railroad built by an American in the face of great financial and engineering difficulties will connect at Guayaquil, its port on the Pacific, with Quito, first traversing in this distance the rich tropical lowlands and then climbing up into the mountains. This road, together with one in Colombia, which is being built from Buenaventura, on the Pacific coast, into the famous and beautiful Cauca Valley, will form important divisions in the mighty Pan-American Railway system which is being so strongly advocated by ex-Senator Henry G. Davis, of West Virginia, Andrew Carnegie, and others.

THE RICHES AND PROGRESS OF GREAT BRAZIL.

When one speaks or writes of Brazil he has difficulty in finding adjectives which will describe truthfully the opportunities in that country for legitimate exploitation of North American capital and yet which will not suggest the use of exaggerated phraseology. The simple facts—that Brazil covers a greater area than the United States proper; that out of the Amazon River every day flows three times more water than out of the Mississippi; that this gigantic stream is navigable 2,000 miles for vessels drawing 25 feet of water; that the city of Rio de Janeiro, its capital, has now a population of 900,000, and spent more money last year for public improvements than



PUNTA ARENAS, CHILE, ON BRUNSWICK PENINSULA, TERRITORY OF MAGELLAN.

This is the southernmost city of the globe and coaling port for steamers passing through the Strait of Magellan. It was formerly a penal settlement but is now an enterprising commercial city of 10,000 inhabitants and the leading port in southern Chile for the export of fur, wool, and minerals.

any city of the United States excepting New York; and that to-day the central Government and the different States are expending larger sums for harbor and river improvements than the Government or States of the United States—all convince the most skeptical that Brazil is a field for the investor to study thoroughly and thoughtfully.

Only recently it was announced that a celebrated American engineer who designed the elaborate dock system at Buenos Aires, in the Argentine Republic, had secured a concession for building a great harbor at Rio Grande do Sul, in the south of Brazil, and would expend over \$14,000,000 on the project. Plans for the construction of

railways into the heart of the country, including one that will eventually connect Rio de Janeiro with Montevideo, the capital of Uruguay, on the south, and with Asunción, the capital of Paraguay, on the southwest, are well under way. The navigation of the upper branches of the Amazon River are to be so improved that there will be connection by rail with Lima, on the Pacific side, and with La Paz, the capital of Bolivia, located in the central Andean plateau. All over Brazil new towns and cities are springing up which will require water works, electric lights, sewerage systems, and street-car lines. Back in the interior, which has heretofore been described as a jungle, are being found mountains of iron and coal and forests of valuable timber, upon which the world must largely draw for its supply in the future.

Over 1,000 miles up the Amazon is the thriving city of Manaos, which reminds one of the pushing western cities of the United States. It is now looking forward to a population of 100,000, and prides itself on its fine streets, business buildings, street-car service, and handsome opera house. If the traveler will go another 1,000 miles up this great stream he will arrive at Iquitos, the Atlantic port, as it were, of Peru, a city which is growing as a rubber market, although its neighborhood a few years ago was considered a rendezvous of savages. Without enlarging on the possibilities of Brazil to supply the world's demand for rubber and coffee, so well known in the United States, it can be said that this Empire Republic of South America offers a field for safe investment of \$200,000,000 of American money in the near future.

AMERICAN CAPITAL BUILDING NEW RAILROADS.

It is regrettable that there is not space in this article to go into details about such important countries as Uruguay, Paraguay, Peru, and Bolivia, but a few points must be kept in mind. Chiefly through the influence of the able minister of Bolivia in Washington, Mr. Ignacio Calderon, nearly \$100,000,000 of American capital will be invested in the construction of Bolivian railways, which will result in bringing her limitless mineral resources and their consequent exploitation directly to the attention of the world. In Peru the greatest mining enterprise is in the hands of Americans, and they declare that they have only scratched the surface. The millions that the Haggins have put, and are putting, into the copper deposits of the Peruvian Andes are evidence of their value. Paraguay seems to be tucked away in the interior of South America so that its agricultural and timber wealth are not appreciated, but every consular report that comes from Asunción shows that the Paraguayans are anxious to encourage the investment of North American money. In Uruguay we find one of the most fertile soils in all the world and a thrifty people; and as evidence of Uruguay's forward movement it can be cited that



(Copyright by Underwood & Underwood.)

A STREET SCENE IN QUITO, ECUADOR.

The principal streets of the city present a most lively appearance, with hundreds of people and beasts of burden in constant motion. The city is traversed from west to east by two deep ravines (quebradas), through which rush the torrents of melted snow from the surrounding hills. These quebradas are mostly covered with vaults and arches, which form high-ways from one section of the city to another. The territory over which the city extends is exceedingly uneven, and the slopes and spurs of the surrounding hills press down toward the main plaza from three different sides. This is

the Government is spending \$10,000,000 in making the harbor at Montevideo one of the best in all America.

CHILE A SCENE OF GROWING ACTIVITY.

Where to begin or end in a description of Chile's material and industrial possibilities is difficult to decide. That Europe has confidence in its future is proved by the eagerness with which German and English capital is seeking investment along numerous different lines within its limits. Reaching for over 2,500 miles along the Pacific coast of South America and having a wide variety of climates, products, and natural resources it presents an extremely inviting opportunity. Its harbors are being improved, its railroads are being extended, and its cities, especially those injured by earthquakes, reconstructed. The Chilean Government expects to spend at least \$10,000,000 in making Valparaiso a safe harbor.

THE PROSPEROUS ARGENTINE REPUBLIC.

Last, but undoubtedly far from least, we consider the Argentine Republic, some times called the "Wonderland" of South America. Located to the south of the equator not unlike the United States north of it; possessing through its greater portion a temperate climate; covering an area as large as that section of the United States east of the Mississippi River plus the first tier of States west of it; drained by the great River Plate system, out of which flows twice as much water each day as out of the Mississippi; and boasting a capital city, Buenos Aires, which has a population of over 1,200,000 and is growing faster than any other city on the Western Hemisphere, excepting New York and Chicago, the Argentine Republic says to-day to capitalists, investors, and bankers of the world that they have no more inviting field for the secure placing of their surplus money. Business "talks," and it speaks loudly and convincingly in regard to the Argentine Republic. There can be no more logical argument in support of Argentina's claim to commercial importance than the fact that in the year 1906 it carried on a foreign trade, exports and imports, amounting, in all, to the magnificent total of \$562,000,000. This, though true, seems almost incredible when we realize that the country has yet only about 6,000,000 people. It means that her trade with the rest of the world is nearly \$100 per head, or proportionately greater than any other large country on this earth.

The railway systems of this Republic, which connect Buenos Aires with Bolivia on the north, with Chile on the west, and with Patagonia at the southern end of Argentina, rival, in proportion to population, the railroad systems of the United States and European countries. The cities of the interior are growing rapidly, and there is every-

where a demand for capital to give these towns modern advantages. The amount of money required not only to do this but to improve the vast agricultural possibilities of her plains and the mineral wealth of her mountains should be supplied, in a considerable part, by the United States.

GENERAL OPPORTUNITIES FOR INVESTMENT.

I would add, in reply to the many inquiries which come to the International Bureau of American Republics, that money is wanted



AREQUIPA, PERU. FOUNDED BY PIZARRO IN 1540.

Situated at an altitude of 7,360 feet on the site of an Inca settlement. In the background is seen the Misti Volcano, 19,200 feet high.

for the establishment of North American banks, or branches thereof, in the principal cities of South America; for floating government and industrial loans; for the building and extending of railroads; for the construction of electric rail and street-car lines, electric lighting plants, waterworks, sewerage systems; and for financing concessions covering harbor improvements, agriculture, timber, and mineral exploitation, not to mention a score of lesser opportunities that combine to make a general onward movement.

REVOLUTIONS AND ACTUAL COMMERCE.

As for revolutions, I desire to emphasize the fact that capital must not be frightened or misled by occasional outbreaks in some of the lesser Latin American countries. The truth is that four-fifths of South America has known no serious revolutions in the last decade and a half, while the present prospects for lasting peace and prosperity are better than ever before.

The query as to what Latin America is doing in its relations with the outer world can be summed up in the gratifying and surprising statement that the total foreign trade, exports and imports, of Latin America in the year 1906 were valued at \$2,035,350,000. Of this amount, exports were \$1,138,260,000, and imports, \$897,095,000, leaving a remarkable balance in favor of South America of \$241,165,000.

THE INTERNATIONAL BUREAU AND MR. ROOT'S TOUR.

In conclusion, I wish to take advantage of this opportunity to call the attention of capitalists, investors, bankers, and business men in general to the broadened scope and plan of the International Bureau of the American Republics, which, under the ambitious programme outlined by the Third Pan-American Conference, held at Rio de Janeiro, Brazil, in 1906, is being reorganized and enlarged so as to become a world-recognized and powerful agency not only for the extension of commerce and trade but for the development of better relations of peace and friendship among all the republics of the Western Hemisphere.

The impetus given to this plan by the extraordinary visit in 1906 of Elihu Root, then Secretary of State of the United States, to South America, can not be overestimated. He accomplished more in his three months' journey, by his contact with the Latin American statesman, by his speeches, and by his personality, to remove distrust and to promote mutual good will, confidence, and their corollary, commerce, than all the diplomatic intercourse and correspondence of the preceding seventy-five years. As a result of Mr. Root's visit to South America, a new era has already dawned in the relations of the United States with her sister nations, and it now remains for the capital of this country, accumulated through our past prosperity and looking for new fields, to improve the wonderful opportunity in the great southern continent.



THE CATHEDRAL, SANTIAGO, CHILE.

Santiago Cathedral, an imposing structure and one of the oldest churches in South America, is situated on the Plaza de la Independencia, or Plaza de Armas, Santiago's favorite "paseo."

RESOURCEFUL CENTRAL AMERICA^a " " " "

The best way to understand or study any section of this world which may be little known is to locate it on the map clearly and then make comparisons as to its size with sections better known.

Central America is sometimes described as all that portion of the North American continent lying between the Rio Grande and the Atrato rivers, the former dividing Mexico from the United States and the latter forming practically the boundary line between Panama and Colombia. Politically, however, it comprehends the five independent states of Guatemala, Honduras, Salvador, Nicaragua, and Costa Rica. In the order named, they lie directly south and east of Mexico, between the Caribbean Sea and the Pacific Ocean. Salvador is the only one of the five that borders solely on the Pacific, or that has not shores washed by both waters.

As the average newspaper reader sees the names of these republics mentioned in the dispatches he thinks of them as indefinitely existing somewhere to the distant south of the United States. He believes that they are nearer Mexico than Patagonia, but he hesitates before he goes on record to that effect.

In fact, all these countries, grouped as Central America, are so close at hand that they are within a few days' steaming of New Orleans, Mobile, or Galveston. They are much nearer geographically to our Gulf coast than Panama, which, on account of the advertising it has enjoyed from the canal, now seems only a few hours from New York. Panama, as it looks on the map, should belong to Central America—it certainly is not part of South America. Having formerly been a portion of Colombia, the greater part of which is in South America proper, it naturally has never been classed as belonging to Central or North America.

APPROACHES TO CENTRAL AMERICA.

A strong influence that has worked to make Central America seem far away has been the necessity, in the past, of reaching the different capitals or principal cities either by sailing from San Francisco on a journey occupying from ten days to two weeks down the Pacific coast past Mexico, or by crossing the Isthmus of Panama and proceeding north. The physical conformation of Central America is such

^a Reprinted from the American Review of Reviews, July, 1907.



SAN SALVADOR. GENERAL VIEW FROM THE PARK.

San Salvador is the capital of the Republic, situated 2,188 feet above sea level, and has a population of 59,500 inhabitants. It is one of the oldest of New World cities, having been founded in 1528. It is substantially built, and contains many fine buildings, among them the new Cathedral, Municipal Palace, University, Palace of Justice, and Artillery Barracks.

that the high and accessible lands suitable for cities and the better classes of population are much nearer the Pacific Ocean than the Caribbean Sea. The shores and the interior facing on the latter sea are generally low, and, until recently, when banana cultivation began to open them to the world, they were a wild, swampy, mosquito jungle.

The few railroads have started from the Pacific coast and wound their way to the capitals and commercial centers, but now rapid progress is being made toward rail connections with the Caribbean side. Costa Rica is already well provided in this respect, and its beautiful capital of San Jose is easily reached in half a day's ride through impressive scenery from Port Limon. Guatemala hopes to have its railroad to the Gulf of Honduras completed next fall.^a Nicaragua is planning a line that will connect the Caribbean Sea with its great interior lake, while Honduras has begun a road that is destined to provide an approach on the same side to Tegucigalpa. In a few years it should be possible to cross by rail each Central American country from sea to sea. An era of continued peace, which ought to be at hand, would see this desired condition of communication soon accomplished.

COMPARATIVE SIZE OF CENTRAL AMERICAN STATES.

Very few people have a correct impression of the size of Central America as a whole or of its States, taken separately. California seems like a large State. It extends 770 miles along the Pacific and has an extreme width of 375 miles. If California were laid end for end on Central America it would cover it with the exception of Salvador, which is just the size of New Jersey and occupies a little over 7,000 square miles. Stated in another way, if Central America were lifted up bodily and laid down on our Atlantic coast it would just hide all New England, New York, Pennsylvania, and New Jersey. In short, it has a combined area of approximately 167,000 square miles. Individually, aside from Salvador, already mentioned, the States could be compared as follows: Honduras to Pennsylvania, 45,000 square miles; Guatemala to Mississippi, 47,000; Nicaragua to New York, 49,000; Costa Rica to Vermont and New Hampshire, 18,000.

Data as to the population of these States are somewhat contradictory, but the official figures given to the International Bureau of American Republics by the diplomatic representatives of these countries at Washington are here used. Guatemala heads the list with 1,364,678 people. Then come Salvador, with 1,006,848; Honduras, with 543,741; Nicaragua, with 423,200; and Costa Rica, with 331,340—a grand total of 3,671,807. This nearly exceeds that of either Texas or Tennessee, and is about twice that of California. Such a

^a This line is now (July, 1909) running.

population should disabuse the minds of many persons that Central America is a sparsely settled, savage land. Of course, there are considerable portions of the lowlands and along the seacoasts where the inhabitants are few, and even these live in most primitive manner, but on the plateaus and higher sections of the interior are cities and towns of advanced civilization, with up-to-date features of municipal life, and an agricultural population that leaves little valuable land unoccupied.



THE TEMPLE OF MINERVA IN GUATEMALA CITY, GUATEMALA.

Erected for the annual festival of Minerva, a national educational holiday celebrated throughout the Republic.

CONDITIONS OF POPULATION AND DEVELOPMENT.

It is a surprise to the man who has not studied Central America to learn that Salvador, with only 7,000 square miles, has more than 1,000,000 inhabitants. This indicates a density of population far greater than that of New Hampshire or Vermont, and means that there are not many "deserted farms" for sale in Salvador. Guatemala, with an increasing population that, since the last census, has probably now reached nearly 1,500,000, can not be regarded as a

land of untraversed jungle, for the density of population is greater than that of Louisiana. Honduras has the largest area of unused country, with Nicaragua next, but the development of the banana industry and the demand for valuable timber grown in the low interior sections are destined to make every unknown part accessible and open to exploitation.

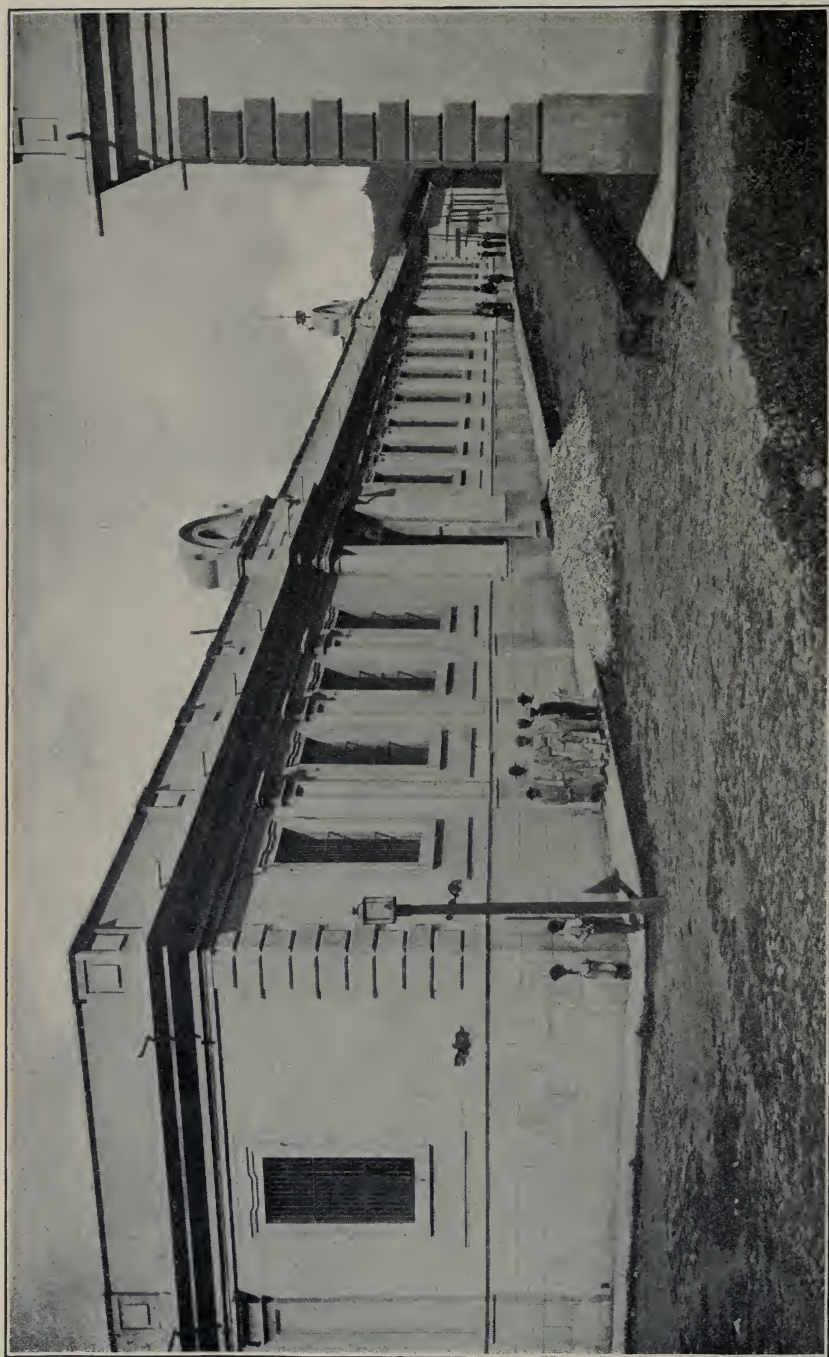
Too strong emphasis can not be placed on the varied riches and possibilities of these five republics. Taken as a whole, they possess more agricultural and timber wealth than mining potentialities, but they are developing rapidly along all three lines in a way to prove that they have not been appreciated heretofore, either in Europe or in the United States.

The number of recent disturbances in Central America has given the impression abroad that these nations are always in a state of strife, and hence that commerce and material progress have little to encourage them. A consideration, however, of the figures of their foreign trade with the world at large, and with the United States in particular, demonstrates that despite warlike struggles at frequent intervals they have time and money to do a very fair business with the outside world.

CLIMATIC CHARACTERISTICS OF CENTRAL AMERICA.

People are always asking, What is the climate of Central America; is it not unfavorable to North Americans or to persons accustomed to a temperate climate? Were the entire area of Central America similar to the part along the Caribbean coast I should be inclined to speak disparagingly of it, but it must be remembered that large sections are located either at such an altitude or in such relation to prevailing winds that the temperature seldom becomes too hot for ordinary comfort, and never too cold. Even in the lower and so-called fever, malarial, and mosquito districts, it is wonderful what a change can be wrought by clearing away the jungle, providing good sewerage and pure water, and generally developing a sanitary environment. Then, the terrors of excessive heat seem to disappear and the Tropics become a source of delight.

What has been done at Panama can be duplicated everywhere in Central America if the same methods are employed. There is hardly a depressing, forbidding port of Guatemala, Honduras, Salvador, Nicaragua, and Costa Rica which could not be made healthy and habitable for foreigners if a well-developed plan for sanitation were carried to complete execution. This is sure to come some day, with the result that the whole so-called "Mosquito Coast" and the remainder of the Caribbean shore of Central America will be busy with prosperous commercial entrepôts, which, in turn, will be connected by railroads with all parts of the hitherto impenetrable jungle, as well



MEDICAL SCHOOL, TEGUCIGALPA, HONDURAS.

The large hospital connected with the school is supported in part by a percentage of the customs duties.

as with the mountain capitals and towns. In fact, I look to see, during the next twenty years, a transformation in Central America which will astonish the world and make it difficult to realize that, in 1907, it was commonly regarded as a *terra incognita*.

HOW TO REACH CENTRAL AMERICAN CITIES.

The query is often propounded to the International Bureau of American Republics: How does a visitor go to the principal cities of Central America, and what are the conditions of travel? The best way to-day to reach San Salvador, the capital of Salvador; Teguci-



GOVERNMENT PALACE, MANAGUA, THE CAPITAL OF NICARAGUA.

galpa, the capital of Honduras, and Managua, the capital of Nicaragua, is either by the way of Panama and the Pacific or by San Francisco and the Pacific, except that the new rail route across the Isthmus of Tehuantepec may presently provide connections that will be quicker than the route via San Francisco or Panama. San Jose, the capital of Costa Rica, has direct rail connections with Port Limon, on the Caribbean shore, and will soon have a through railroad to Puntarenas, on the Pacific Gulf of Nicoya. The Pacific port of Guatemala City is the town of San Jose, from which a railroad runs to the capital. The line from the Caribbean, about completed, begins at Puerto Barrios. Northwestern Guatemala is reached through the

ports of Ocos and Champerico, and a railroad extends from the latter place to several important towns of the interior. The principal port of Salvador is Acajutla, from which a railroad carries one, in five hours, to the city of San Salvador. From La Libertad there is a fair mountain road, but it has been little used since the railway was completed.

The capital of Honduras has its port at Amapala, on the Pacific Gulf of Fonseca, and a good macadamized road extends from San Lorenzo to Tegucigalpa, on which automobiles are operated. A railroad is planned and partly constructed to connect Tegucigalpa not only with the Gulf of Fonseca, but also with Puerto Cortez, on the Caribbean Gulf of Honduras. When these roads will be completed is, however, uncertain. The chief port of Nicaragua is Corinto, on the Pacific side. From this port a railroad runs to Managua and thence to Granada, on Lake Nicaragua.

PRECAUTIONS FOR TRAVELERS.

The capital towns of the Central American republics vary in population, but all provide hotels and clubs that are comfortable. New York and Paris hostelrys do not abound, as there is no demand for them, but unless a man is a chronic "kicker" he need not be unhappy in his Central American surroundings. Whoever goes there should be provided with an abundance of light clothing, such as white duck, brown khaki, or thin flannel. He must guard against the sun in the middle of the day, and should wear, unless he carries an umbrella, a pith hat or some kind of sun helmet. After the sun is well down, the air cools off immediately, and the nights are generally cool. Except in the higher altitudes, a mosquito net is absolutely necessary, and no traveler along the coast or in the low interior should be caught without one. If any time is spent in this section, it is also well to take regular doses of quinine, according to one's capacity or health, in order to guard against malaria. Ordinary care should also be exercised in the kind of food consumed, and even more care in the kind of water that is drunk.

I do not wish to frighten anybody or make it appear that there is any particular danger while traveling in these countries. I desire rather to make a few simple suggestions which, if followed, will make travel and life there more safe and agreeable. As to myself, I can say that during many years' residence as United States minister in different tropical countries of the Orient and America, including a year at Panama (before it was made healthy and sanitary through the great work of Colonel Gorgas), I never experienced a day's sickness from any kind of tropical complaint. I exercised common sense care of myself, and nothing more. To-day, I visit the heart of the Tropics with far less hesitation than I do New England in winter.



STATUE OF COLUMBUS, GUATEMALA CITY, GUATEMALA.

This celebrated monument of the great Discoverer adorns Central Park. The artistic composition of the figures and the bronze globes is most happy, while this park, with its wealth of semitropical vegetation and its commanding and picturesque location, forms a fitting background.

TRADE, COMMERCE, AND FINANCIAL STATUS.

That this discussion of Central America may contain some exact information about its trade, commerce, and general business, the latest statistics and figures, prepared in the International Bureau of the American Republics, of which the writer is the director, are given in summarized form. The total foreign commerce, exports and imports, of the five Republics amounted last year (1906) to the considerable total of \$56,133,000. Of this, exports were \$32,170,000 and imports \$23,963,000, or a favorable balance of nearly \$10,000,000. The share of the United States in the above trade is interesting to note, because it averaged about half. The total was \$26,376,000, of which exports



SCHOOL EXERCISES AT SAN JOSE, COSTA RICA.

This country is celebrated for its excellent schools. The University contains the National Library, which comprises 3,000 volumes of scientific and miscellaneous works.

to the United States were \$14,992,000, and imports from the United States \$11,384,000.

Taking each country in turn for the purpose of providing accurate and specific information, it is noted that the total trade of Guatemala with the world is \$15,082,000, of which \$6,844,000 are imports and \$8,238,000 are exports. Of this, the portion of the United States is \$5,582,000, divided as follows: Imports, \$2,707,000; exports, \$2,875,000. The budget for 1906-7 estimates the revenues of the Government at \$25,000,000.

Salvador enjoys a foreign commerce of \$9,986,000, divided into exports of \$5,640,000 and imports of \$4,346,000. The share of the

United States is \$2,580,000, with exports of \$1,225,000 and imports of \$1,355,000. The annual budget for 1906-7 estimates the national revenues at \$8,644,295.

Honduras conducts an external trade with the world of \$7,857,000, of which exports are \$5,564,000 and imports \$2,293,000. The United States proportion of this trade is valued at \$6,322,000, or much the largest part, of which exports to the United States are \$4,632,000 and imports therefrom \$1,690,000. The last budget places the revenues at \$3,043,000. Although the foreign debt is heavy, Honduras has marvelous resources, which, developed, will enable her to meet her obligations.

Nicaragua's foreign commerce reaches a total of \$7,128,000, of which \$3,926,000 represents exports and \$3,202,000 imports. Of these, the share of the United States is nearly half, as the total is \$3,757,000, with exports at \$2,089,000 and imports at \$1,668,000. The annual income for government expenses is about \$20,000,000. Nicaragua gives every evidence of being on the highway to great material progress, and is offering exceptional opportunities for the investment of capital in both mining and agriculture. Great public improvements are also contemplated that will add much to the prosperity of the country.

Although Costa Rica ranks fourth in area among the Central American republics, she stands a good second in foreign trade. This amounted in 1906 to the large sum of \$16,000,000, of which the exports were \$8,802,000 and imports \$7,278,000. The United States shared to the extent of about half, or \$8,135,000, with exports and imports, respectively, at \$4,171,000 and \$3,964,000. The revenue for 1906-7 is estimated at \$3,372,795.

Everybody who visits Costa Rica carries away a good impression and has great confidence in its future. The banana business has grown to such size that it has become a decided source of wealth to the country and people. Mining has not been conducted on a large scale, but considerable mineral wealth is believed to exist in the mountains.

PRINCIPAL PRODUCTS SOLD AND BOUGHT.

The character of the trade of Central America with the world and with the United States can be best appreciated by noting some of the principal articles which are exported and imported. Central Americans sell abroad coffee, bananas, rubber, cacao, dyewoods, valuable lumber, like mahogany and other cabinet woods, hides and skins, rice, sugar, indigo, balsam, tobacco, and minerals. They buy cotton and woolen cloth, machinery, railway, electric, and mining outfits, wheat flour, drugs, and medicines, iron and steel manufactures, sacks for export of coffee and fruit, canned provisions, and a host of

lesser articles. The list is long enough to show that there are great opportunities in Central America for the manufacturers and exporters of the United States if they will make vigorous efforts to exploit it along legitimate lines. As this trade will next year reach a high figure, it should be carefully investigated by all those interested.

The principal centers of trade and industry in Central America include Guatemala City, which has 96,000 people; Coban, Toonicapan, and Quezaltenango, in Guatemala, with about 25,000 each; Tegucigalpa with about 34,000, and Comayagua with 10,000, in Honduras; León with 60,000, Granada with 30,000, and Managua with 25,000, in Nicaragua; San Salvador with 60,000, and Santa Ana with 48,000,



LAW SCHOOL, GUATEMALA CITY, GUATEMALA.

A national institution, which, together with the school of medicine, of engineering, and of philosophy, forms the university. These schools are supported by the Government and are under the direction of a board selected from the faculties of the four institutions.

in Salvador, and San Jose with 25,000, Heredia with 10,000, and Limon with 7,000, in Costa Rica. Many of these towns are also seats of notable institutions of learning, such as the schools of law and medicine at Guatemala City, the Institute of Jurisprudence and Political Science at Tegucigalpa, the National University at San Salvador, the schools of law, medicine, and pharmacy at Managua and Leon, and the schools of law and medicine in San Jose.

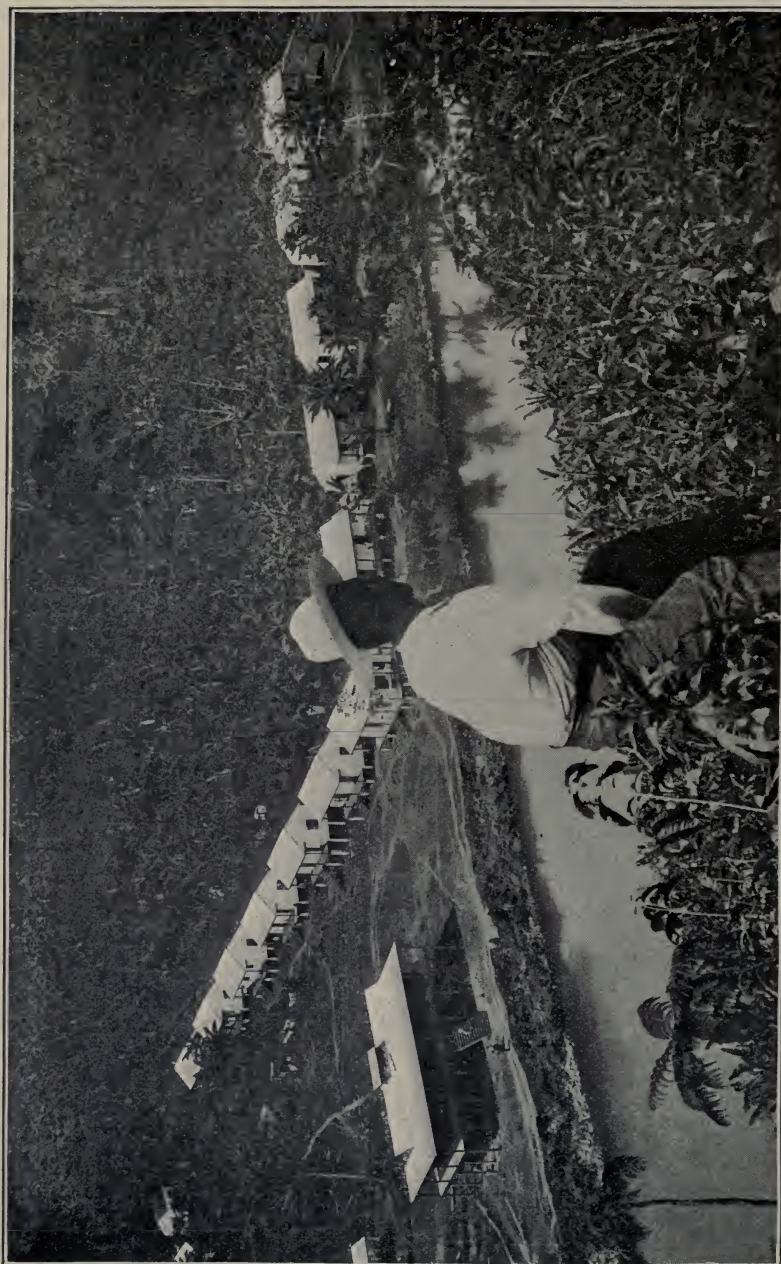
If anyone assumes that because there are occasional revolutions in Central America and the climate is somewhat tropical, there is not a considerable element of highly educated and refined men and women in the chief cities and towns, he labors under great error. A large proportion of the well-to-do people have traveled abroad and

send their sons or daughters to the United States and Europe for educational advantages in addition to their home schools. Each country has produced writers, historians, poets, novelists, jurists, doctors, and surgeons, as well as statesmen, who are well known throughout all Latin America and who are becoming better known in the United States. The society found by the visitor in the Central American capitals is always more interesting and cultured than he expects to meet before he has acquired familiarity with actual conditions. Guatemala City, for instance, is a remarkable capital, with nearly 100,000 people, which will become a popular point for travelers and tourists from the United States when the Pan-American Railroad or the new line from the Caribbean shore is completed. In fact, Guatemala has a splendid future before it, but the world has only recently begun to appreciate its resources and possibilities. Much might also be said of the conditions and attractions of the other Central American capitals, like San Jose, Managua, Tegucigalpa, and San Salvador, but there is not space in this brief article.

BENEFITS OF AN INTERCONTINENTAL RAILWAY.

No matter how many steamship lines may be put in operation between the Pacific, Gulf, and Atlantic ports of the United States and Central America, the principal cities and points of this section of the North American continent will never be reached rapidly and by large numbers of people until the Pan-American Railway system is constructed from Mexico down through Guatemala, Salvador, Honduras, Nicaragua, and Costa Rica to Panama. The line now reaches practically to the border of Guatemala, and there are no insurmountable difficulties in connecting it with the small systems already in operation, or in course of construction, in these different states. If the movement which has been so strongly urged by ex-Senator Henry G. Davis, of West Virginia, and which has been approved by the different Pan-American conferences, is carried to a consummation, it will be one of the greatest forward steps to Pan-American unity. In ten years, it should be possible for a traveler to start out from New York and make the journey to each of the Central American capitals in comfortable Pullman trains.

For three hundred years Central America was under Spanish authority, beginning with the invasion of Pedro and Jorge de Alvarado on the north and Gil Gonzales de Avila on the south. The former came down from Mexico just before the latter came up from Panama, taking possession of what is now Costa Rica and Nicaragua. For long years, Central America was known as the Kingdom of Guatemala, with governors appointed by the Spanish Government. After their independence was consummated in the year 1821, and,



(Copyright by Underwood & Underwood, New York.)

SCENE ON LARGE BANANA PLANTATION NEAR PUERTO LIMON, COSTA RICA.

Houses in middle background are dwellings of superintendent and laborers. Average yield of bananas per acre is 9,625 pounds; average yield of corn, 2,240 pounds; of wheat, 1,200 pounds.

until 1847, these countries remained as one republic. Since they separated there have been various efforts to unite them again into one nation, but none of these has been completely successful.

THE BUREAU OF THE AMERICAN REPUBLICS.

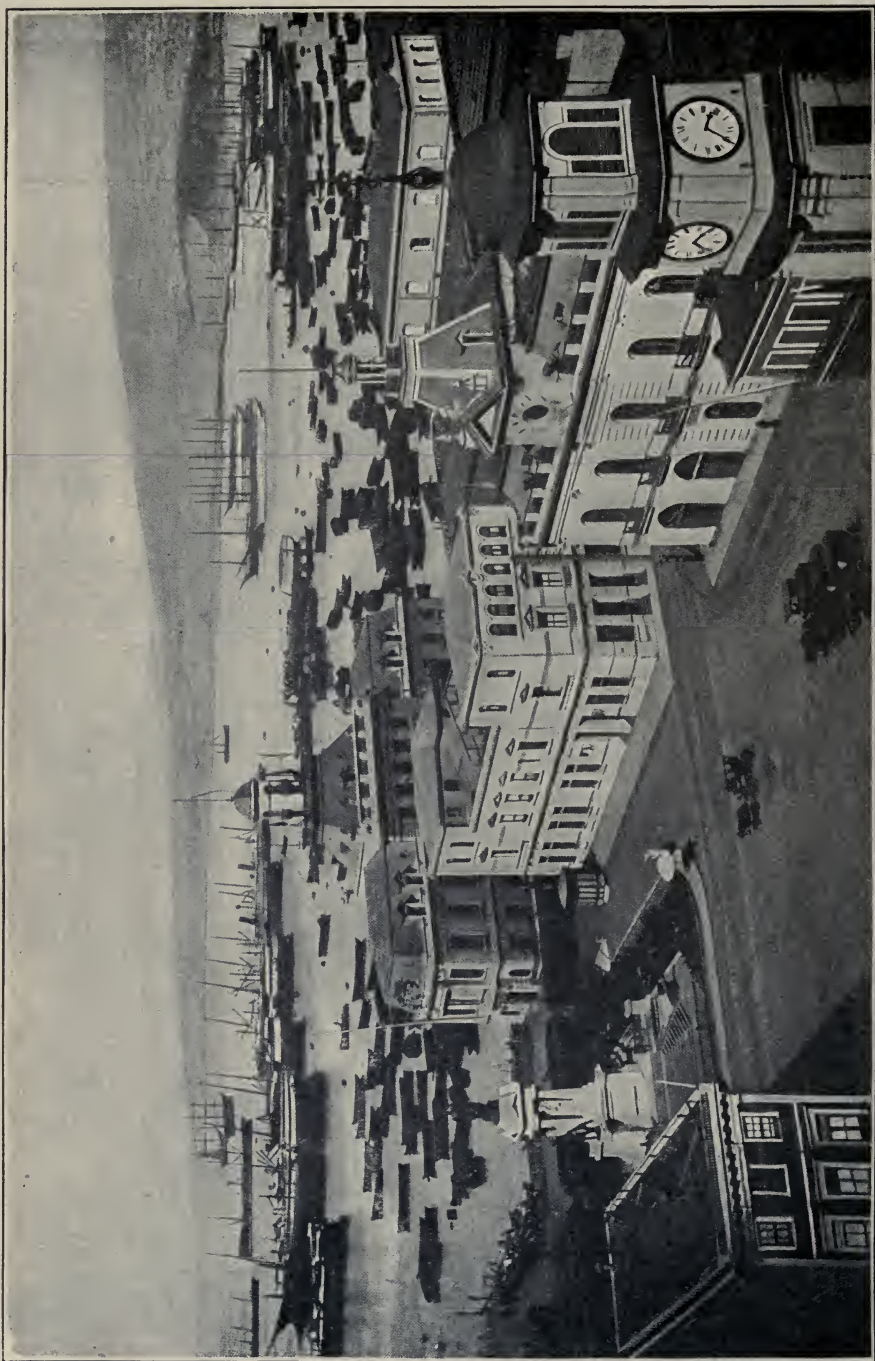
The International Bureau of the American Republics, in Washington, which has the twofold purpose of developing commerce and trade and of promoting better relations and closer acquaintance among all



A RAILWAY TRESTLE IN COSTA RICA.

The Pacific Railway of Costa Rica is 170 miles long, and only lacks 12 miles of construction in order to connect the Atlantic with the Pacific coast from Port Limon to Puntarenas by way of the capital, San Jose. It traverses one of the richest tropical and subtropical portions of the Republic, noted for the luxuriance of its vegetation and the beauty of its scenery. Some of the railways of Costa Rica are under direct governmental control, and all of them penetrate exceedingly productive agricultural regions, capable of supplying an immense tonnage of natural and cultivated products.

the nations of the Western Hemisphere, will be glad to answer any inquiries from the readers of the "Review of Reviews" about the resources, possibilities, and general development of the Central American republics which may be suggested by this brief description, while the able ministers in Washington and consuls-general in New York City of these countries are always ready to consider legitimate and serious questions from those who may be interested.



A PARTIAL VIEW OF THE BAY OF VALPARAISO, CHILE.

LATIN AMERICA: A GREAT COMMERCIAL OPPOR- TUNITY^a :: :: :: ::

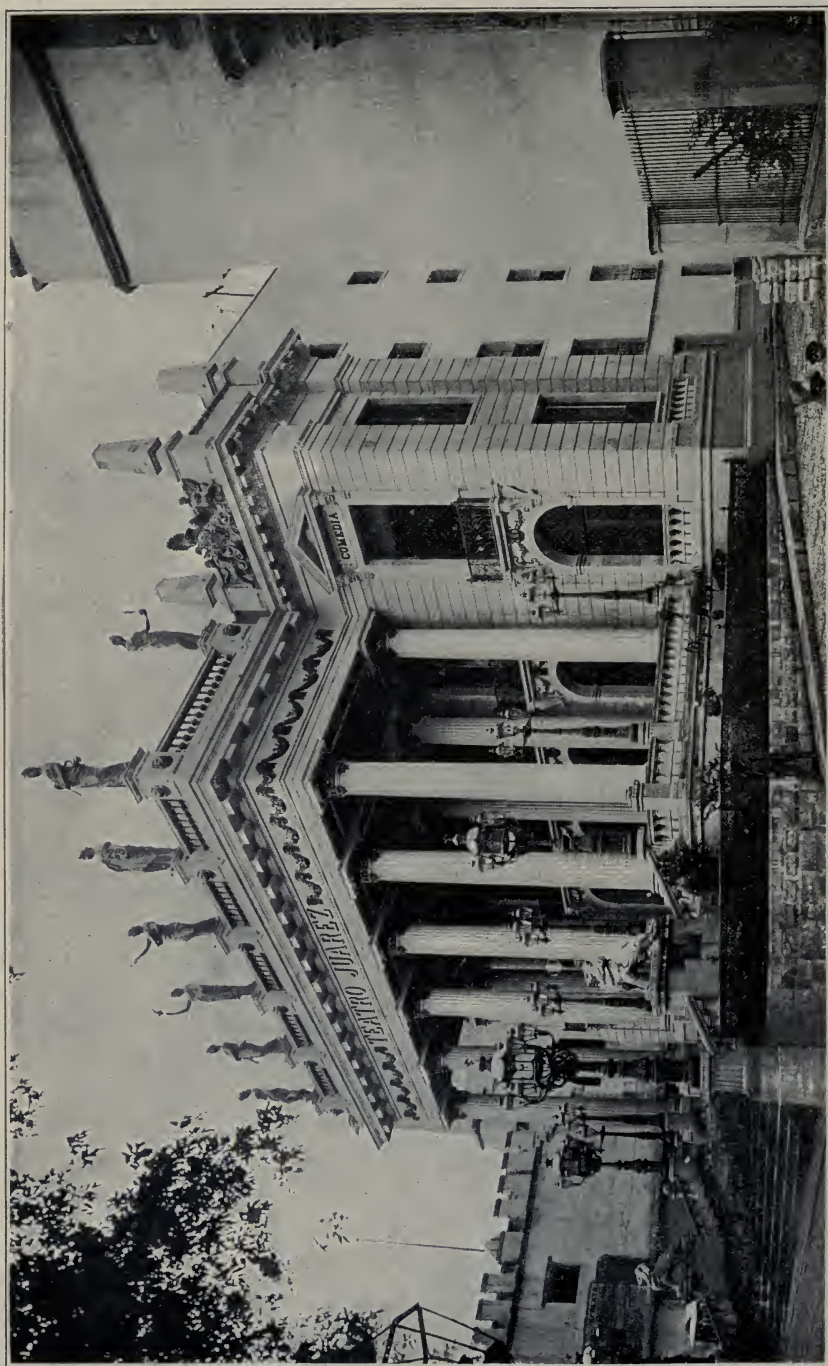
There is no field for the study of the American manufacturer more important than that of Latin America. At this very moment conditions demand the attention of all American business men who are interested in the expansion of the foreign commerce of the United States. The whole world is suddenly awakening to the vastness and variety of the resources and possibilities of the 20 republics which reach from Mexico and Cuba on the north to Argentina and Chile on the south, a section of the Western Hemisphere which includes every kind of climate, product, and people.

Commercial countries of Europe, like England, Germany, France, Spain, Italy, and Austria, are devoting far more attention to South America than is the United States. Further than this, Japan, far away across the Pacific, is exerting herself to get into close touch with the west coast of South America. That statement may seem surprising, but proof of it is found in the projection of a steamship line which is to run from Japan to Chile, and by the arrangement of postal money-order exchange between the two countries, effective from January 1, 1908. The United States has done absolutely nothing toward improving its shipping relations with any portion of South America. The European countries already mentioned are favored in the development of their trade by numerous first-class mail, express, and passenger steamers which connect their leading ports with those of South America and even with Mexico and Central America, within the very limits of our own front yard, as it were. What a sad and depressing acknowledgment it is for us enterprising North Americans that there is not one single fast-mail steamer flying the American flag and running between the chief ports of the United States and those of South America proper. I am not making any argument for subsidy, but simply stating a fact.

SURPRISING FACTS AND FIGURES OF TRADE.

Before we go any further let us consider carefully some remarkable and convincing figures which show beyond any question or

^a Reprinted from The World To-day, Chicago, April, 1908.



JUÁREZ THEATER, GUANAJUATO, MEXICO.

doubt the value of the Latin American commercial opportunity. The average manufacturer, merchant, and farmer of the United States has been so occupied, on the one hand, with home trade conditions or, on the other, with the possibilities of commercial expansion in Europe and Asia that he has almost overlooked the prosperous, progressive, and wealthy countries in our neighborhood to the south of us. He has not comprehended the essential truth that on the Western Hemisphere, aside from the United States, there are other great nations which have remarkable resources and which are making unusual progress. He has assumed too readily that the United



PRINCIPAL PLAZA, BOGOTA, COLOMBIA.

Plaza Bolivar is the principal square of the capital of Colombia. In the center of a garden of flowers, shrubs, and trees is a handsome statue of Gen. Simon Bolivar, the liberator of five South American Republics. The capital, municipal building, and cathedral are built around this square.

States was the "whole thing," and that what was not going on in this country was hardly worthy of respect. Now he must rub his eyes and wake to see Latin America forge ahead, appreciated by the rest of the world while the average North American has been asleep.

He who has not familiarized himself with Latin America does not stop to think that it conducted one-third of the total foreign commerce of the 21 republics of the Western Hemisphere, including the United States, during the year of 1906. It is hard for him to believe

that these lands to the south of us bought from and sold to the rest of the world products valued at \$2,000,000,000 and that, of this, there was a balance of trade in favor of Latin America amounting to approximately \$228,000,000.

For comprehensive and reliable discussion I have taken the average foreign trade of Latin America, covering Mexico, Central and South America, and the West Indies, for the last two or three years, and have drawn the following conclusions:

LATIN AMERICAN EXPORTS AND IMPORTS ANALYZED.

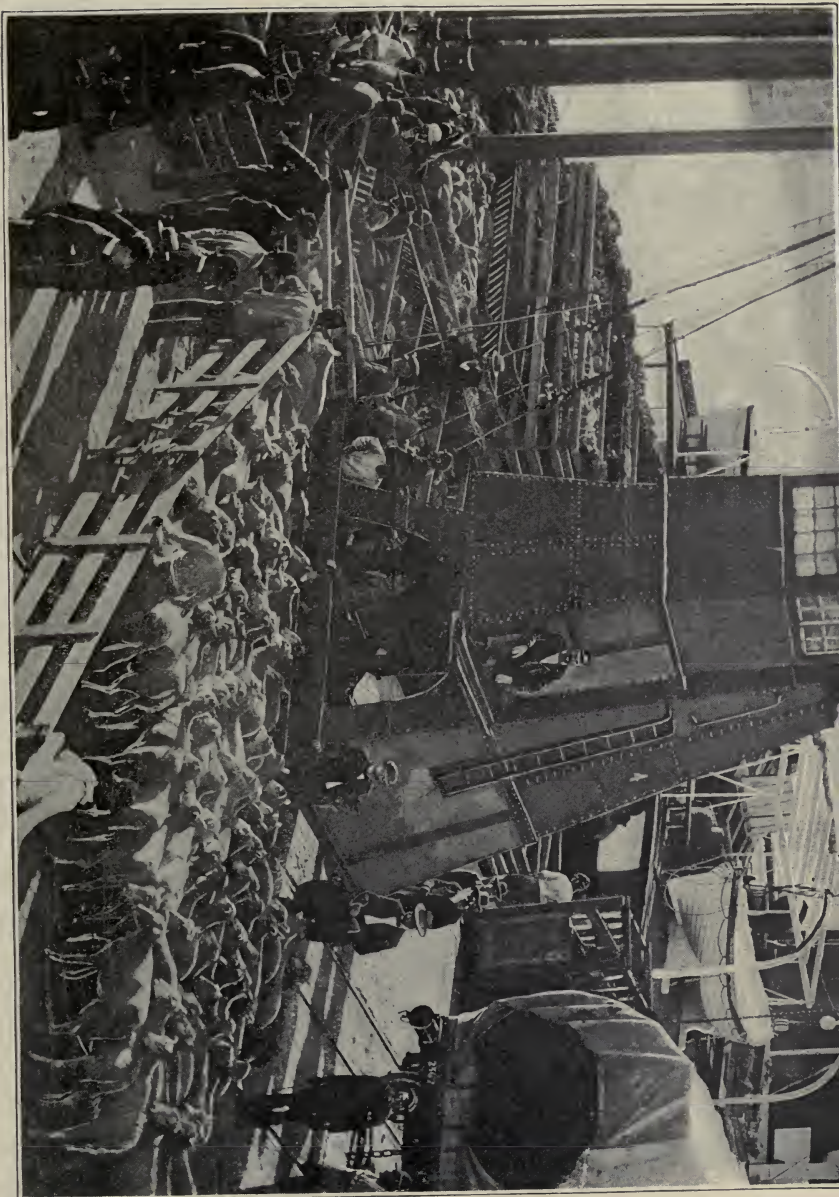
The total exports and imports of Latin America amount annually to \$2,052,355,000; of this great sum, Latin America exports \$1,140,260,000 and imports \$912,095,000, giving, as indicated above, a remarkable balance of trade in its favor.

Noting next what is the average share of the United States in this total with all Latin America, we find it to be \$519,202,700, which, subdivided, gives exports to the United States as \$296,932,200 and imports from the United States \$222,270,500, or a balance of trade in favor of Latin America and against the United States of approximately \$74,000,000.

It is interesting to notice the character and the amount of exports and imports between the United States and Latin America that run above the million mark.

The United States exported to Latin America during the year 1907:

Agricultural implements, about	\$5, 000, 000
Locomotives and cars, about.....	11, 000, 000
Electric and scientific instruments.....	4, 500, 000
Steel rails	4, 000, 000
Steel wire	4, 500, 000
Steel tools	4, 000, 000
Sewing machines	2, 500, 000
Pipes and fittings.....	3, 500, 000
Copper (ore and bars).....	1, 500, 000
Wheat	2, 000, 000
Wheat flour	13, 500, 000
Cotton, cloth, wearing apparel, etc.....	7, 250, 000
Twine (manufactured fiber)	2, 000, 000
Leather, with boots and shoes.....	3, 000, 000
Lard.....	7, 000, 000
Oil:	
Crude, illuminating, lubricating.....	10, 750, 000
Vegetable and paraffin	3, 750, 000
Timber	2, 500, 000
Lumber	15, 500, 000
Furniture	3, 000, 000



A DOCK SCENE IN BUENOS AIRES.

The sheep industry is one of the most important in the Argentine Republic. In 1907 there were 80,000,000 head of sheep in the country. The value of those exported amounting to \$4,000,000, while the shipment of wool was estimated at \$90,000,000, that of frozen mutton at \$6,000,000.

The United States imported from Latin America during 1907, of—

Cocoa (cacao)	\$7, 000, 000
Coffee	70, 000, 000
Copper	20, 000, 000
Bananas and fruits	12, 000, 000
Furs and hides	15, 000, 000
Rubber	33, 000, 000
Iron	2, 500, 000
Lead	3, 000, 000
Sugar	70, 000, 000
Tobacco and cigars	16, 000, 000
Woods	11, 500, 000
Wool	6, 000, 000

Other articles, such as typewriters and various grades of manufactured goods, show high figures, but they do not touch the million mark.

These figures for all Latin America are more encouraging than for the subdivision of South America proper, which comprises the ten Republics of Brazil, Argentina, Uruguay, Paraguay, Chile, Bolivia, Peru, Ecuador, Colombia, Venezuela, and the British, Dutch, and French Guianas. Let us see what there is here unsatisfactory to the United States.

South America proper conducted an average foreign trade amounting to \$1,513,415,000, of which the share of the United States in 1907 was only \$233,293,300, including both exports and imports—barely one-seventh. Analyzing further these figures for the United States, we discover that South America sold to us products to the value of \$147,680,000 and bought from us only \$85,612,400. This gives a balance against us of practically \$60,000,000.

Another comparison shows how far behind we are in the race with the rest of the world. South America purchased from other nations products valued at \$660,930,000, of which the United States furnished \$85,612,400, or barely one-eighth, and yet the more we study the South American field the more we appreciate that the United States could supply the greater portion of its imports. Correspondingly, we do not give South America as great a market for her products as we ought, for, of her total exports, amounting to \$852,485,000, the United States purchased only \$147,680,900, or approximately one-sixth.

ENCOURAGING FEATURES OF THE SITUATION.

Having given these figures, some of which are averages, covering a period of years, I now desire to point out, through additional figures, another feature of the situation which is most encouraging, and which should inspire our manufacturers and exporters to take advantage of the Latin-American commercial opportunity. With the

aid of the Bureau of Statistics of the Department of Commerce and Labor, the International Bureau of the American Republics has worked out the following totals showing the growth of the trade of the United States with her sister republics:

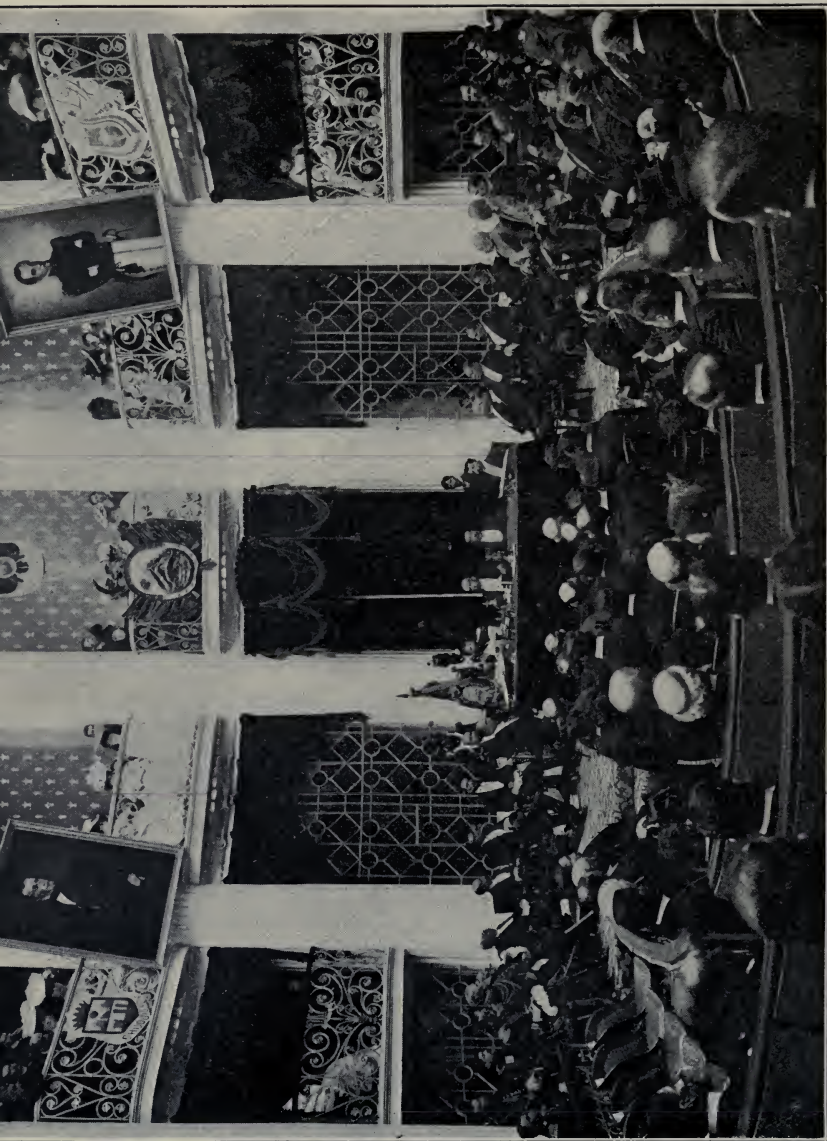
The entire commerce, exports and imports, between the United States and the countries to the south of her amounted in 1897, ten years ago, to \$252,427,798. Three years later, in 1900, this had grown to \$324,680,368. Five years more, in 1905, it had expanded to \$517,477,368; while two years later, 1907, we are gratified to note that it has reached the splendid total of \$587,194,945. It is thus seen that in ten years our trade with Latin America has increased by the vast sum of \$335,000,000, or has more than doubled. Certainly this is a record of which our country can be proud, and yet it is only a beginning of possibilities.

Inasmuch as the total foreign commerce of Latin America for 1907 was over \$2,000,000,000, it can be seen that the United States is far from having her share. The great point is that if the United States, under present conditions and with the present lack of interest, can conduct a trade with Latin America of nearly \$600,000,000 per annum, it is sure to do a business of \$1,000,000,000 in the near future, after our manufacturing and agricultural interests fully realize the value of the opportunity and put forth their best energies to control it.

THE GREATNESS OF THE LATIN-AMERICAN OPPORTUNITY.

Having taken up these measurements of commerce and trade, it is logical that we should consider some descriptive facts which shall prove to everybody the greatness and importance of the Latin-American countries. There is not space in a brief article like this to describe carefully what has been done by Mexico, Central America, Cuba, Haiti, and the Dominican Republic, which border on the Gulf of Mexico and the Caribbean Sea, and therefore particular attention will be given only to South America proper. In passing, however, we should bear in mind that over \$800,000,000 of American capital has been invested in Mexico, and that last year that country conducted a trade with the United States valued at over \$125,000,000, of which over \$67,000,000 represented imports from the United States.

Central America, comprising Guatemala, Salvador, Honduras, Nicaragua, and Costa Rica, is entering upon a new era of prosperity and progress as a result of the treaties and conventions signed at the Central American Peace Conference recently held in Washington. If these international agreements are approved by all these countries, there is no reason why they should not have a growth and development like that of Mexico, because they possess a remarkable vari-



OPENING OF CONGRESS, LA PAZ, BOLIVIA.

The National Congress holds an annual session of sixty days, usually commencing August 6. The legislative branch of the Government consists of a Senate, composed of two members from each of the eight Departments of the Republic and elected for a term of six years, one-third of whom are renewed every two years; and a House of Representatives with seventy-two members, elected for four years, one-half of whom are renewed every second year. The members of both Houses are elected by popular vote.

ety of resources and a favorable climate in most sections. In 1906 Central America conducted a foreign trade valued at almost \$56,000,000, of which the imports from the United States amounted to nearly \$12,000,000.

The republics and islands of the West Indies are forging ahead, and last year boasted of a foreign trade amounting to \$240,000,000, of which \$153,000,000 were imports by these islands from the United States.



MACKENZIE COLLEGE, SÃO PAULO, BRAZIL.

An undenominational educational institution founded in 1889 by John T. Mackenzie, of New York, who gave \$42,000 toward the erection of the building. It has graded and normal departments and a self-supporting manual training school.

Coming, then, to South America proper and noting some salient facts, we are impressed first with Colombia, the nearest to the United States of the South American republics, having an area as large as Germany and France put together, and entering upon an era of rapid progress as the result of the enlightened administration of General Rafael Reyes. Having traveled extensively over the interior of Colombia, I can vouch for its richness. As soon as it is opened up by railroads and by improved navigation of its rivers, it should have a development not unlike that of Mexico.

Venezuela greatly resembles Colombia, with an unusual mingling of rich plateaus and river valleys which offer an inviting field of legitimate exploitation. The mighty valley of the Orinoco alone is a section in which millions and millions of capital may be safely invested.

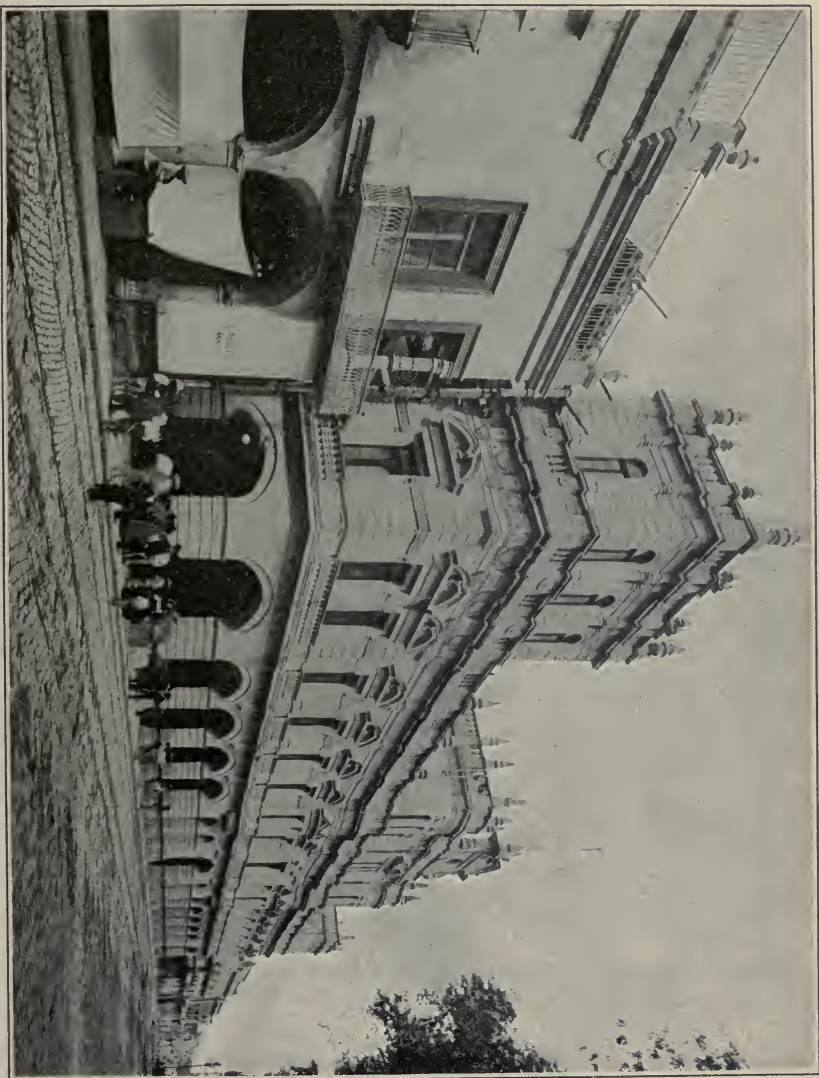
The British, Dutch, and French Guianas have only been barely touched by the hand of capital, and yet they will soon experience a progress surpassing any past development.

BRAZIL'S VAST AREAS AND POSSIBILITIES.

Brazil is indeed an interesting subject to discuss. It is so large, so resourceful, and so vast in potentialities that it is difficult to confine oneself to conservative language. When we remember that the entire connected area of the United States could be placed inside the limits of Brazil and that there would still be room for the German Empire; that out of the Amazon River flows every day three times as much water as from the Mississippi; that Rio de Janeiro, its capital, is already a city of 900,000 inhabitants and growing with rapidity; that the government and people of Brazil gave our battle-ship fleet a more magnificent welcome than was ever given to a visiting fleet from a foreign nation in the history of the world, then we shall have before us some facts that show how worthy of our special attention is this great Republic of South America.

All over Brazil there is evidence of the new era of material progress. Railroads are being built into the interior, rivers and harbors are being improved, the cities are being modernized, the school systems are being elaborated, and the native richness of the soil and forests is being exploited, with the result that a large amount of European and American capital is being invested there with absolute surety of good returns. In no country of South America has the manufacturer and exporter a better chance to build up his trade than in Brazil. To-day the balance of commerce exchanged is greatly against us. Brazil buys from the United States only about one-fifth in value of what she sells there. This country is Brazil's chief market for coffee, but our merchants have made so little effort to supply what Brazil demands from foreign countries that Europe practically controls the import situation.

Uruguay, just below Brazil, and Paraguay, between Brazil and Argentina, are small in area, but rich in agricultural possibilities. The city of Montevideo, the capital of Uruguay, has a population of 300,000 and is an important port at the mouth of the Rio Plata. The peoples of both countries are enterprising and progressive, and believe that their nations will see remarkable progress during the next decade. Montevideo is spending \$10,000,000 in the im-



MUNICIPAL PALACE, CITY OF PUEBLA, STATE OF PUEBLA, MEXICO.
One of the finest and most commodious municipal buildings in the Republic, overlooking a beautiful park and the magnificent cathedral of the "City of the Angels."

provement of its harbor facilities, while Asunción, the capital of Paraguay, is looking forward to the improvement of the River Paraná and to the extension of the railroad system, so that it will be in communication on the one hand with Argentina and Uruguay and on the other with Brazil.

In this connection it must be remembered that southern Brazil, Uruguay, Paraguay, all of Argentina and Chile are practically in the south temperate zone, and possess climatic conditions not unlike those of the United States far north of the equator. Such a location means much for their future development as the homes of ambitious peoples.

ARGENTINA A WONDERLAND OF MATERIAL PROGRESS.

Argentina is a country of peculiar interest. It has gone ahead with such rapidity during the last ten years that it is difficult to predict what another decade will show. It has such a large area suitable for the growth of products which are needed in Europe that it is always sure to have an enormous foreign trade. With a present population of nearly 6,000,000 people it conducted in 1907 a foreign commerce valued at nearly \$600,000,000, a total greater than that of Japan or of China. This gives an average of nearly \$100 a head, which is larger than that of any other important country in the world.

Argentina is gridironed with a system of railroads which enables one to cross the continent from Buenos Aires to Santiago in less than forty-eight hours, including a short trip by coach over the top of the Andes, and to go in a Pullman train from the borders of Bolivia on the north into the heart of Patagonia on the south.

Buenos Aires, its capital, is one of the wonderful cities of the world. It has a population now of nearly 1,200,000, and is growing more rapidly than any city in the United States with the exception of New York and Chicago. It has a finer system of docks and wharves, a more costly and beautiful opera house, a larger club, and a more extensive newspaper plant than any city of our own progressive land. It has plans to build an intricate system of underground railways, and it is made beautiful by numerous boulevards, parks, and squares. The commerce of all Argentina centers in Buenos Aires, and it is not an uncommon thing to see scores and scores of merchant vessels, flying the flag of every important country except the United States, loading and unloading along its water front. The people are decidedly progressive and represent a new race, inasmuch as they are a combination of Spanish and Italian, with a sprinkling of English and German blood, and they are developing a class of men and women who insure the future strength and quality of the country.

CHILE AND THE WEST COAST OF SOUTH AMERICA.

The size and importance of Chile can be best appreciated by remembering, first, that it runs up and down the west coast of South America in the Temperate Zone just as our own west coast borders on the Pacific Ocean, and, second, that if the southern end of Chile were placed at San Diego, the southern end of California, the northern line of Chile would be located in the middle of Alaska. In other words, it extends north 2,600 miles from the Straits of Magellan to the Peruvian border, while its average width is that of California,



A SECTION OF THE HISTORIC WALL OF CARTAGENA, COLOMBIA.

Erected by Spain at a cost of \$55,000,000, for protection against pirates. Cartagena was the port whence Peruvian gold was shipped to Europe, and is now one of the leading ports of Colombia.

with a corresponding variety of climate and products. Its capital city, Santiago, has a population of 400,000, and is classed as one of the most attractive cities of the southern continent. At its principal port, Valparaiso, the Chilean Government is preparing to spend \$10,000,000 for harbor and dockage facilities, thus making it the most complete port on the Pacific Ocean.

Although Chile is well provided with railroads, the Government is now at work on a scheme for a longitudinal road to run the entire length of the country, and to connect the capital with every section.



FRONTAGE ON RIVER PARANA OF ASUNCION, THE CAPITAL OF PARAGUAY.

The enormous wealth of the nitrate fields of Chile brings to the country a vast revenue which makes it almost independent of other sources for the maintenance of the Government. Chile is anxious for the completion of the Panama Canal, so that it can get into closer touch with the United States. When that waterway is completed, it should be possible to go from New York to Valparaiso in less than fifteen days, while now it takes on an average of thirty days. The foreign commerce of Chile last year amounted to \$180,000,000.

BOLIVIA, PERU, AND ECUADOR.

Although Bolivia has no seacoast, it covers an immense territory, in which could be placed the State of Texas twice over and still leave room for Arkansas and Kansas. A large portion of it is located at a high altitude, so that it has favorable climatic conditions. It possesses a remarkable variety of mineral and agricultural riches, and is entering now upon a period of real progress. An American syndicate is building a system of railroads upon which will be expended fully \$100,000,000. Its interesting capital, La Paz, can be reached by a combination journey of rail and water up from the Pacific Ocean and across Lake Titicaca, the most elevated navigable body of water in the world. The value of the foreign trade of Bolivia is approximately \$35,000,000, but it is growing with rapidity and bids fair to double itself in the near future.

North of Bolivia extends Peru over an area in which could be placed all of the Atlantic Coast States from Maine to Georgia. It has a mingling of low country along the Pacific, and again in the upper valleys of the Amazon, so that, with the great plateaus and mountainous districts of the Andes, Peru possesses a wide variety of climate, products, and resources. Many millions of American capital have already been invested there in the development of its mines.

Lima, the capital city of Peru, is one of the oldest and most aristocratic capitals of Latin America. Here was established a university one hundred years before Harvard was founded. Here was the seat of one of the Spanish vice-royalties in the days of the old régime. To-day it is a prosperous, busy, and well-built metropolis. The port of Lima is Callao, only a few miles away, where the American fleet under Admiral Evans made its fourth stop in its journey around South America. It has an excellent harbor, and through it passes the greater part of the foreign trade of Peru, amounting to \$49,150,000.

Ecuador, in which the State of Illinois could be placed many times, is rejoicing now in the prospect of the advantages of the railroad which connects its principal port, Guayaquil, on the coast, with



CALLE ZABALA, MONTEVIDEO, URUGUAY.

the famous old capital of the Republic, Quito, a city of about 80,000 people, located at an elevation of 10,000 feet above sea level, upon the plateaus of the Andes. When the branches of this road are completed the interior of Ecuador will experience a development that will add much to the wealth of the country.

In 1909 Ecuador will hold an exposition to celebrate the one hundredth anniversary of the declaration of independence from Spain, and it is expected that there will be a great display of the natural resources and products of the country, which will be sure to attract universal attention and prove the value of this region as a field for the investment of foreign capital. The United States has been invited to participate, and President Roosevelt has recommended to Congress that an appropriation be voted for a building and exhibit.

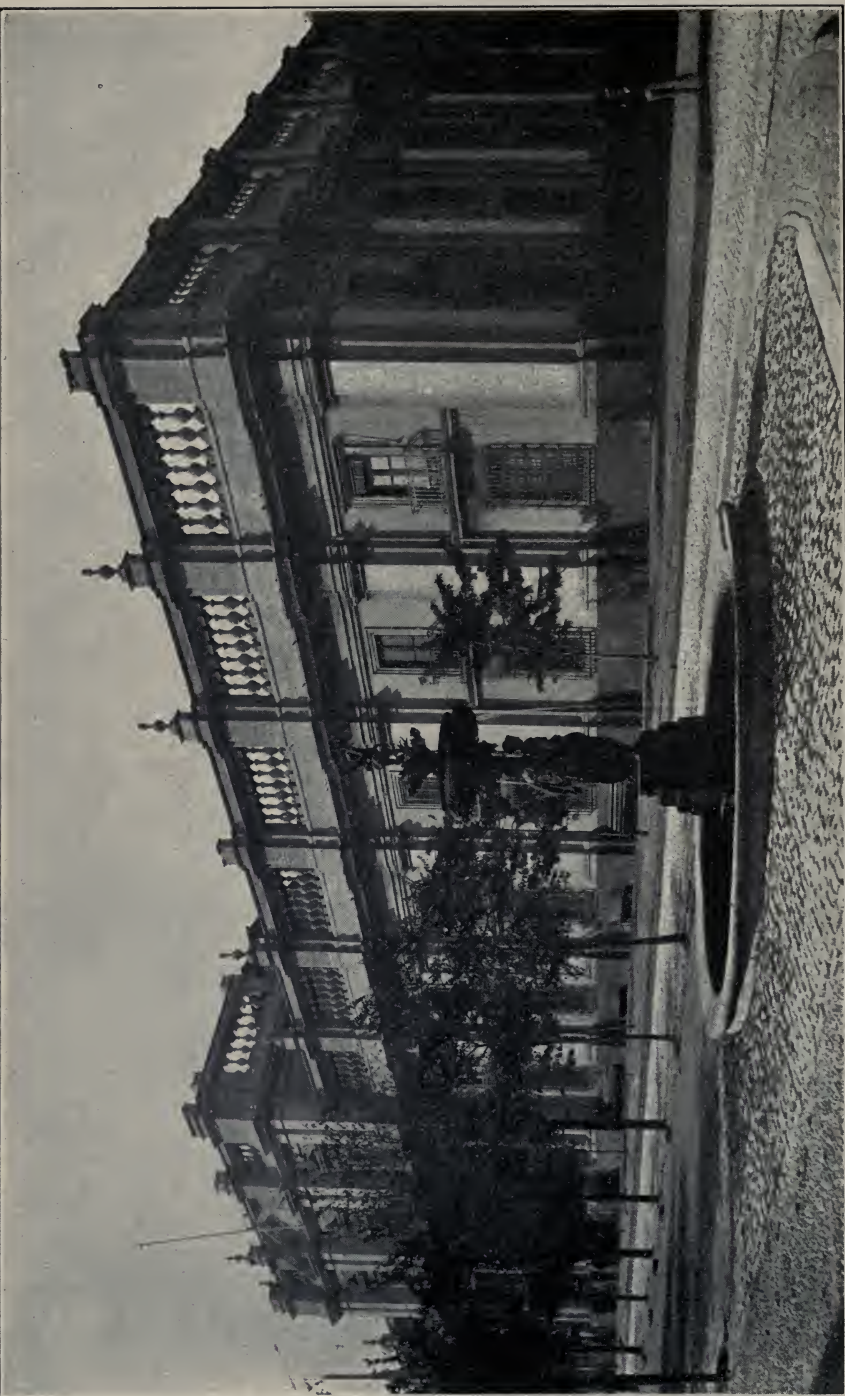
A VISIT TO SOUTH AMERICA RECOMMENDED.

While what I have written about these countries may awaken interest among those who have paid no attention to South America, I am prompted to advise strongly that every person who has the time and money should make a visit to the principal countries and cities of South America and see with his own eyes the possibilities of that part of the world. The average American business man when he wants a vacation goes to Europe; some few go to the Far East, but practically no one proceeds to South America. If the conditions could be changed, and travel to the southern continent popularized, the beneficial effects upon the development of our commerce would soon be evident.

This prepares the way for pointing out the vital importance of improving our shipping facilities with South America. In contrast to the possibility of reaching the chief cities of Brazil, Argentina, Chile, and other countries by fast and commodious steamers running from Europe in considerable numbers, is the fact that there is not one first-class mail, express, and passenger steamer flying the American flag and running between any one of the ports of the United States and those of South America below the equator. It is most depressing for a citizen of the United States to make the grand tour of these southern cities and see nowhere the Stars and Stripes unless it be floating from an occasional man-of-war or pleasure yacht. Perhaps he may run across a sailing vessel with the United States flag, but even these are few in number compared to what they were in the olden days.

I give here suggestions about travel to Latin America, because I wish to show to business men, investigators, and others how such a trip can be made.

To reach Brazil, Argentina, and Uruguay direct, comfortable but not fast steamers may be taken from New York, the journey to Rio



GOVERNMENT PALACE, SANTIAGO, CHILE.

The Government Palace, called "La Moneda," is situated near the beautiful "Alameda de las Delicias," and is one of the largest buildings in Chile. It contains not only the offices of the President and most of his ministers, but also the Treasury, and a number of departmental offices. In the construction of this huge edifice 1,500,000 pesos were invested.

consuming eighteen days, and to Montevideo and Buenos Aires, on the through steamers, four to seven days longer. For Asunción, the capital of Paraguay, there are numerous first-class steamers up the river Paraná from Buenos Aires. A more popular and fashionable route is to go first to Europe, where, at Southampton and Havre, English, French, and German steamers of the most modern and luxurious type provide accommodation for passengers to Rio in sixteen days and to Montevideo and Buenos Aires in four to six days more.

To reach Venezuela there are two lines of steamers from New York, the journey to La Guaira taking six to seven days direct, or twelve days indirect service.

The Caribbean ports of Colombia, Cartagena, and Baranquilla are visited by steamers from New York, which stop also at Colon on the Isthmus of Panama and at Kingston in Jamaica.

All Pacific ports are reached from Panama after crossing the Isthmus from Colon, or by taking a steamer from San Francisco which touches all intermediate points between San Francisco and Panama. Panama is the northern terminus of the steamers touching the Pacific ports of Colombia, Ecuador, Peru, and Chile.

Steamers can be taken in New York to reach Costa Rica, Nicaragua, and, since the opening of the railway from Puerto Barrios, even Guatemala. For Salvador, Honduras, and the west coast of Guatemala and Nicaragua, the steamers from San Francisco or Panama are the more available.

NEED OF FIRST-CLASS STEAMSHIP FACILITIES.

The commerce of the United States with South America proper has already been shown to be only \$233,000,000 out of the total foreign trade of these countries amounting to \$1,500,000,000. That this condition is coincident with the lack of first-class steamship facilities is at least a justifiable conclusion, if it is not entire proof that one is responsible for the other. Despite the fact that there are a large number of freight vessels, all of them flying foreign flags, running between the chief ports of the United States and those of South America, it is just as necessary for us to have fast mail, express, and passenger steamers on the high seas to conduct commerce, to carry letters, and to take care of passenger traffic and express freight requiring early delivery, as it is to have the corresponding kind of railroad trains upon land.

Can anyone imagine Chicago holding its present position if it were reached only by freight trains? The fast mail, express, and passenger railroad service is an absolute, if not the principal, essential to the development of the exchange of trade. It is folly, therefore, to expect that the United States can ever hold an important position in the commerce of South America unless the facilities for going back and forth and for mail communication are improved.

There could be no better evidence of the unfortunate state of affairs than the fact that more business men from the progressive Republic of Argentina left Buenos Aires in one week, aboard the fast and elegant European steamers, either to visit Europe on business or to enjoy travel, than proceeded to the United States in a whole year on the slow-going vessels that connect Buenos Aires with New York. The records of Rio de Janeiro, the great capital of Brazil, show that the European boats in one week carried away more Brazilians to Europe than all the vessels running to the United States in a whole year.

The solution of this problem is not in a so-called "subsidy," which is an unfortunate term and often misleading. The whole question boils itself down into the necessity of paying a good wage for work

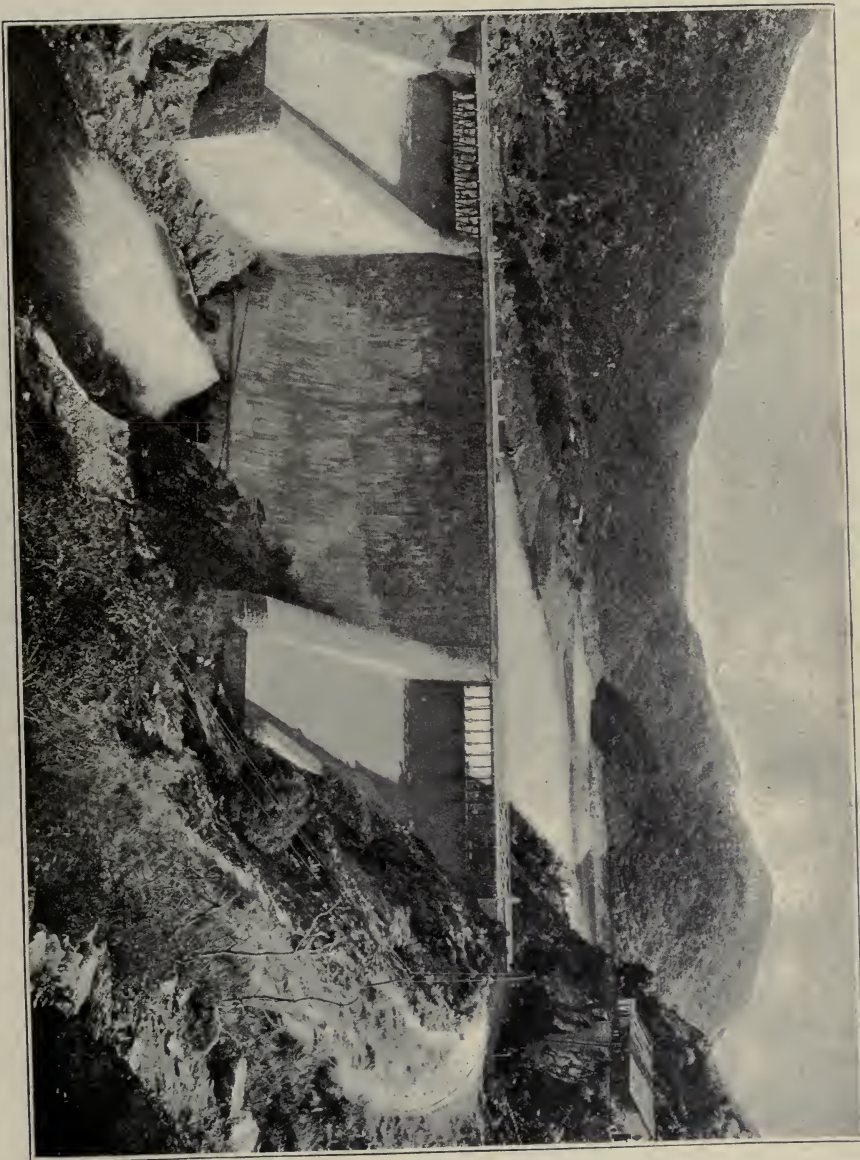


GOVERNMENT BUILDING IN SUCRE, ONE OF THE PRINCIPAL CITIES OF BOLIVIA.

well done. That is, the United States Government must be ready to pay steamship companies flying the American flag such a reasonable sum for carrying the mails on vessels of, say, 17 knots speed and first-class passenger accommodations, that they can deliver mails and passengers in competition with the vessels of Europe, and so provide the same kind of facilities on sea that we get from the mail trains on land throughout the United States, and to which the United States Government pays a regular sum for the quality of service rendered.

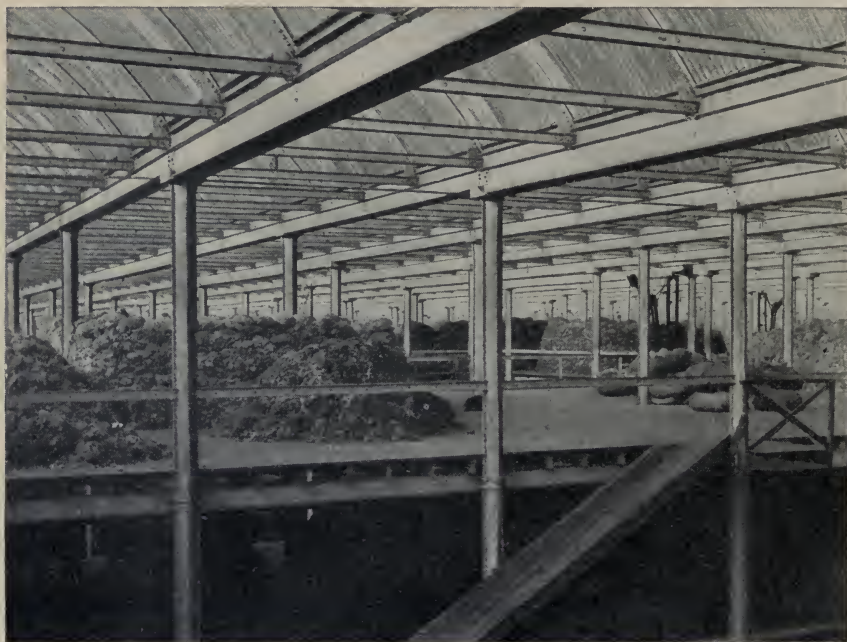
THE INTERNATIONAL BUREAU OF THE AMERICAN REPUBLICS.

In conclusion, advantage is taken of this opportunity to call the attention of business men who read this article to the International



SAN ROQUE DAM, CORDOBA RANGE, ARGENTINE REPUBLIC.
Fifty million cubic meters of material were used in the construction of this dam, which represents 260,000,000 cubic meters of water
and irrigates 230,000 acres. The dam cost \$1,320,000 in gold.

Bureau of the American Republics. This institution was founded eighteen years ago at the first Pan-American Conference for the purpose of disseminating information throughout the different American Republics concerning mutual progress and development. As a result of the third Pan-American Conference held at Rio de Janeiro and through the efforts of Secretary Root, who has done more than any other man in the history of American diplomacy to advance the prestige and influence of the United States in Latin America, it has been reorganized and enlarged so that it may become



HIDE AND WOOL SECTION OF CENTRAL PRODUCE MARKET, BUENOS AIRES.

The Central Produce Market of Buenos Aires is the largest wool and hide market in the world. The building is an iron structure four stories high, covering an area of 182,000 square feet, and was erected at a cost of about \$4,100,000. There is a complete installation of cranes, elevators, and apparatus for loading and unloading the principal export products of Argentine Republic. Immense quantities of wool, hides, and cereals are annually shipped from this market to the large commercial ports of the world.

a world-recognized and practical agency for the development of Pan-American commerce and comity. It is intended to be not only a bureau of information, supplying all varieties of data regarding different American countries to manufacturers, educators, travelers, students, etc., but the means through which all the resolutions of the different Pan-American conferences shall be put into force.

Everything possible is done by the Bureau to bring about better relations and more intimate acquaintance and intercourse among all the nations of the Western Hemisphere. It publishes a monthly

bulletin which is a careful record of the commercial and business conditions of all the republics, and distributes a large number of publications descriptive of the American republics, their conditions, resources, and potentialities. Connected with it is the Columbus Memorial Library, which is the largest single collection in the United States of books relating to the history, progress, and present status of all the countries under discussion.

Through the beneficence of Mr. Andrew Carnegie and the contributions of the different governments, the International Bureau is shortly to be housed in a magnificent new building which will cost approximately \$750,000, and provide in Washington a temple of friendship and commerce which will be, in a sensé, a meeting place for all the American republics.

The Bureau is supported by the joint contributions of the 21 American republics, and its affairs are controlled by a governing board composed of the diplomatic representatives in Washington of 20 republics, with the Secretary of State of the United States as chairman ex-officio. Its chief executive officer is the director, who is chosen by this governing board. He, in turn, is assisted by the secretary of the Bureau and other officials and experts.

In the event that anyone desires information, he may address the Director, Pan-American Bureau (as it is commonly described), 2 Jackson Place, Washington, D. C. It will be a special pleasure to consider carefully any inquiries regarding Latin America which may come from the large and representative constituency of The World To-Day.



CALLE DE ESTADO, SANTIAGO, CHILE.

Calle de Estado is one of the busiest thoroughfares in Santiago, running from the "Alameda de las Delicias" to the principal square, the "Plaza de Armas." It is lined with numerous retail stores, in which can be found all the luxuries of American or European cities.

A READY AID IN FOREIGN TRADE^a " " " "

HOW THE BUSINESS MAN CAN USE THE SERVICE
GIVEN FREE BY THE INTERNATIONAL BUREAU
OF THE AMERICAN REPUBLICS, TO BECOME FAMILIAR
WITH CONDITIONS IN LATIN AMERICA,
TO LEARN THEIR SPECIFIC DEMANDS, AND
TO AID IN SECURING PROFITABLE BUSINESS.

Every business man, every professional man, every man interested in our foreign relations, should become acquainted with the International Bureau of the American Republics. Its great practical value to the business man, its possibilities for good in the development of both commerce and comity among the American nations, the vast field it represents—these facts bring a realization of its importance.

To understand what the International Bureau can do for business, it is essential to know its history.

Although it has led a dignified and honorable existence for eighteen years, and has had excellent and able men at its head, there has never been until now any popular interest in our sister American nations. It required the statesmanship of an Elihu Root and an unprecedented journey on his part all around the South American continent to make the people of the United States realize the vast importance of our relations with the nations to the south of us.

The International Bureau was organized as a result of the first Pan-American Conference held at Washington in 1889-90. The delegates from Latin America found such ignorance here of the peoples, institutions, and resources of their countries, and, on the other hand, such ignorance on their part of the real characteristics of the United States, that the conference authorized the opening of what might be called an International Bureau of Information. Subsequent conferences enlarged its functions until now it bids fair to become one of the most important international institutions of the world. The early directors exerted their best efforts for the welfare of the Bureau, but they labored under the handicap of lack of general interest. Now a new era is dawning and the present director, no more capable than his predecessors, finds a far more sympathetic constituency to aid his programme of reorganization and upbuilding.

THE PECULIAR ORGANIZATION OF THE INTERNATIONAL BUREAU.

The International Bureau of the American Republics is indeed unique. It is the only office of its kind in the world. It is the head-

^a Reprinted from "System," Chicago, March, 1908.

quarters in the capital of one American nation of 21 American Republics. Its director is the only international officer of America chosen by the vote of all the American governments.



MERCADO DE PILAR, BUENOS AIRES, ARGENTINE REPUBLIC.

One of the numerous markets of the city of Buenos Aires. The stalls and stands are required to be kept scrupulously clean, and strict hygienic regulations must be observed in the sale of fruits, vegetables, meats, and other similar products.

The Bureau is not in any sense subordinate to a department of the United States, as are all the other bureaus of Washington. It is strictly independent, and its chief officer is responsible to the 21 representatives of the American governments who constitute its

governing board and guide its policies. This board has as its chairman the Secretary of State of the United States, inasmuch as the Bureau is located in Washington and its relations with the United States Government are through the Department of State.

The contributions of all the American republics, based on population, give it financial support. Although the United States consequently pays more than the other 20 combined, the minister of the smallest nation in population has a vote in its governing board equal to that of the Secretary of State of the United States. It is this feature of equal, mutual interest and authority that keeps up the pride of all Latin America in its work and advancement. The diplomat, business man, or traveler from Central America or distant Argentina and Chile, who walks into the Bureau or writes to its staff for information, is just as much at home as the corresponding man from the United States.

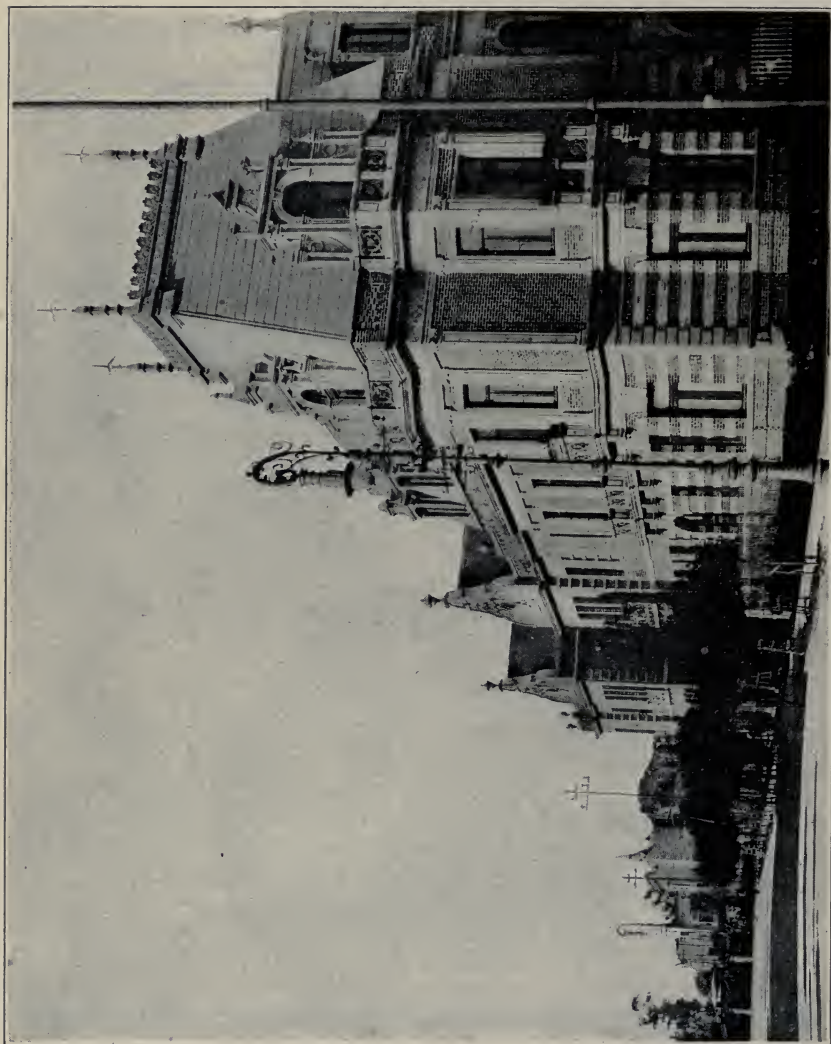
Out of the total 12,000,000 square miles occupied by the American countries, those of Latin America include nearly 9,000,000 against 3,000,000 of the United States proper. Brazil alone exceeds the connected area of the United States by nearly 200,000 square miles; we could put all of the United States, without Alaska, within Brazil and still have room for the major portion of the German Empire. Of the 155,000,000 people living in the American republics, 70,000,000 reside in the Latin-American countries—certainly enough to be worthy of our close study and of our sincere friendship. That number of millions can also buy a considerable quantity of products of other countries as further figures will demonstrate.

The total foreign commerce, exports and imports, of the 21 American republics, including the United States, last year exceeded \$5,000,000,000. Of this huge total, Latin America—too often despised by our business men—bought and sold products valued at the vast sum of over \$2,000,000,000, or more than one-third. That we are getting a share of this, which proves its value, is admitted when it is shown that our portion of these \$2,000,000,000 was \$600,000,000 for the past year.

This immediately suggests the question to the manufacturer and exporting or importing reader of this article: "Am I getting my part of this?" If the answer is "No," then he should write to the International Bureau of the American Republics and find out why not—and how he may.

THE PERSONNEL AND ORGANIZATION OF THE BUREAU.

The source of this information will be the working staff of the Bureau, which is composed of about 25 persons. These are divided into administrative, editorial, translating, statistical, compiling, and



JUAREZ COLONY, CITY OF MEXICO.

One of the principal residence sections of the capital, sometimes called the "American Colony." Its broad and well-paved streets are lined with costly residences.

service sections. All incoming correspondence is supposed to be addressed "The Director, Pan-American Bureau, 2 Jackson Place, Washington, D. C.," but, whatever way it may be directed, it is given immediate attention and sent to whatever section is to prepare the answer.

All outgoing letters are signed by either the director or by the secretary of the Bureau, the chief clerk, or the librarian, as the case requires. Careful files are kept of correspondence, and it is the rule of the Bureau to answer all inquiries with the least possible delay. The officer, after the director, having general supervision of the work of the Bureau is its secretary, Dr. Francisco J. Yánes, an accom-



A PORTION OF THE NEW DOCKS AT BUENOS AIRES.

plished Latin-American scholar and authority on the material and economic conditions of the American republics.

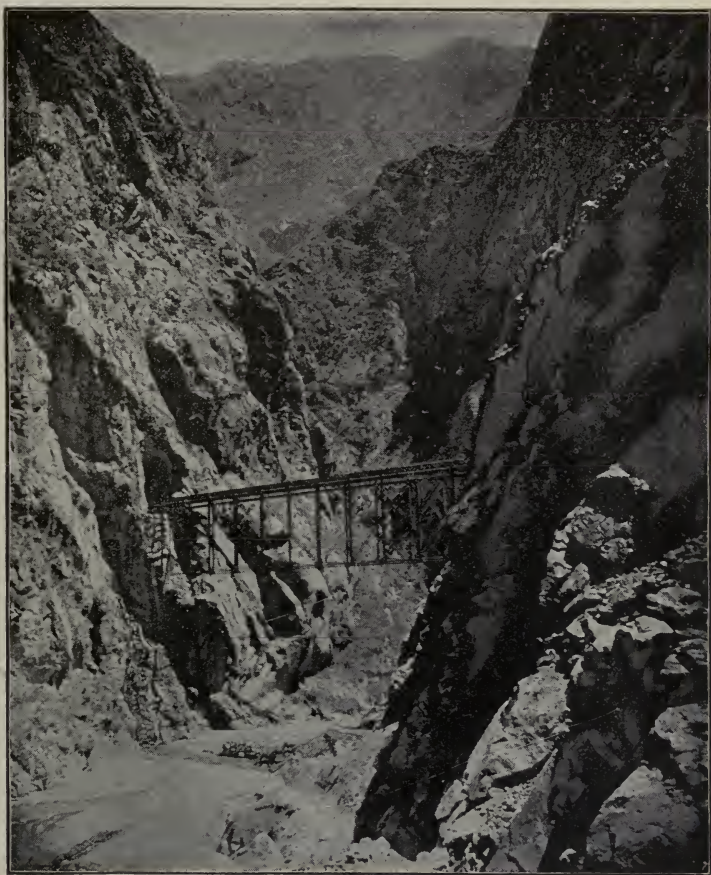
So far as the business man is concerned, the Bureau stands ready to aid him by giving facts and advice regarding any subject of American commerce.

To supply every kind of information within its scope, the International Bureau depends first on its library, known as the Columbus Memorial Library, of over 15,000 volumes covering every American nation and containing the best individual collection of Americana in the United States; second, on the official reports of all American governments, which are sent to it in accordance with the resolution of the Pan-American Conference; third, on the official gazette and private



JOHN BARRETT, DIRECTOR OF THE INTERNATIONAL BUREAU AND FORMER MINISTER TO
SIAM, THE ARGENTINE REPUBLIC, PANAMA, AND COLOMBIA.

newspapers, trade journals, and similar publications of the different capitals; fourth, on reports of American consular officers in the form of duplicate copies of the originals sent to the Department of State; fifth, on handbooks and pamphlets carefully prepared from time to time, describing the resources, progress, conditions, and development of the different countries; and sixth, on maps and geographic data, as prepared by official and private agencies and persons.



"INFERNILLO" BRIDGE, OROYA RAILROAD, PERU.

This bridge is at an altitude of 10,924 feet above the sea level, and received its name from the gorge which it crosses at a height of 165 feet above the foaming waters of the Rimac River. The span is 160 feet in length.

All this material is thoroughly classified and can be consulted without delay. The library is open to responsible people from 9.30 a. m. until 4 p. m. every day, and books are loaned for brief periods to those who are properly accredited. If a business man, student, or traveler addresses any inquiry to the Bureau, the qualified members of its staff compile from the data just described the necessary reply; if he calls in person, he is immediately placed in touch with the mem-

ber of the staff who can best assist him, and provided with any books, pamphlets, reports, maps, or other matter he should consult.

THE PRACTICAL RESULTS ATTAINED BY THE BUREAU.

One or two illustrations will serve to show the business man how the machinery of the bureau works in his interest. A manufacturer of automobiles writes or calls and says that he knows nothing concerning the Latin-American market, but that he is contemplating entering it and wants to ascertain all about it.



LOADING COFFEE AT SANTOS, BRAZIL, THE CHIEF COFFEE EXPORTING PORT OF THE REPUBLIC.

Brazil's exports of coffee in 1907 amounted to \$142,000,000, of which over \$100,000,000 were shipped from Santos.

The director or secretary acknowledges his letter at once, giving some comprehensive ideas and forwarding pamphlets describing general conditions in Latin America so far that the manufacturer may gain preliminary information on the field he is studying.

Then one of the statistical or trade experts of the Bureau compiles a memorandum showing present imports of automobiles to Latin America, country of origin, conditions of demand and competition, character of roads and streets, freight charges, shipping facilities, tariff or customs rates, methods of payment, climatic effects on material, and any other practical data that would be useful and helpful.

A traveler who has never visited South America wants information. He is immediately provided with handbooks followed by a memoran-



POLICE DEPARTMENT, BUENOS AIRES, ARGENTINE REPUBLIC.

This handsome building is the central station of the 32 police precincts into which the city of Buenos Aires is divided. The police force, consisting of about 4,000 officers and men, is supplemented by a mounted squadron of 100 gendarmes. The police department is well organized, and is noted for the quickness and effectiveness of its service.

dum describing steamship and railway lines, cost of transportation, hotels, principal points of interest, kind of money used, clothing

required for climate, and time needed for different journeys. The university professor, student, lecturer, or writer seeks the best material for acquiring information on Latin America. He is given a practical list of books and magazines to read and maps to secure, with names of publishers and authors.

And so I might go on and on giving examples of the constant and increasing evidences of the good work the Bureau is doing, not only along material, commercial, and economic lines, but in educational, social, and intellectual directions. Perhaps it suffices to add here that the correspondence of the Bureau has quadrupled during the last eight months and the demands for its printed matter has grown in proportion. It now averages nearly 3,000 letters of legitimate inquiry from all parts of the world, received and answered each month, together with 20,000 bulletins, handbooks, pamphlets, and circulars distributed for the same period.

MAGAZINES AND VARIOUS PUBLICATIONS ISSUED AS HELPS TO BUSINESS.

The most important connection between the Bureau and the great commercial interests of Pan-America is its "Monthly Bulletin." This is issued in magazine form at the end of each month and contains the latest official data from all the American republics covering exports and imports, trade conditions, tariff changes, public improvements and enterprises, industrial opportunities, new laws affecting commerce, immigration, and mining concessions, and other kindred information. It may be obtained by paying the annual subscription of \$2 in the American republics or \$2.50 in non-American countries.

Aside from the Monthly Bulletin the bureau has for sale at cost many useful handbooks and pamphlets, together with others which are sent free upon application. There is a printed list of all publications that will be immediately forwarded to those expressing a desire for it.

In order that this article may be complete, and the scope and importance of this institution thoroughly understood, I desire to quote from the resolutions passed at the last Pan-American Conference held in Rio de Janeiro, Brazil, during 1906, and made memorable by the presence of Secretary Root. They read:

The Third International Pan-American Conference resolves to continue the International Union of the American Republics created by the first conference and confirmed by the second.

The purposes of the International Bureau of the American Republics, which represent said union, are the following:

1. To compile and distribute commercial information and prepare commercial reports.

2. To compile and classify information respecting the treaties and conventions between the American Republics and between the latter and non-American States.



FRANCISCO J. YÁNES, SECRETARY OF THE GOVERNING BOARD AND OF THE INTERNATIONAL BUREAU.

3. To supply information on educational matters.
4. To prepare reports on questions assigned to it by resolutions of the International American Conferences.
5. To carry into effect all resolutions the execution of which may have been assigned or may hereafter be assigned to it by the International American Conferences.
6. To act as a permanent committee of the International American Conferences, recommending topics to be included in the programme of the next conference; these plans must be communicated to the various governments forming the union at least six months before the meeting of the next conference.
7. To submit within the same period a report to the various governments on the work of the bureau during the term covered since the meeting of the last conference and also special reports on any matter which may have been referred to it for report.

But this is not all by any means. In a report on the Bureau recently prepared I say:

Further resolutions, which placed new responsibilities on the bureau, provided that steps should be taken for housing the institution "in such a way as shall properly permit it to fulfill the important functions assigned to it by this conference;" that a committee should be appointed in each republic to assist the bureau in carrying out its work; that there should be established, as subordinate to it, a special section for commercial statistics; that the bureau should elaborate the project for providing better steamship facilities between the principal ports of the American Republics for the purpose of facilitating trade, travel, commerce, and general communication; that it should investigate the question of the Intercontinental Railway and confer with the different governments with a view to determining as soon as possible what concessions of land, subventions, interest guaranties, exemptions of duty on material for construction and rolling stock, and any other concessions they may deem it advisable to grant in connection therewith; that it should make a study of the monetary systems of the American Governments for the purpose of submitting to the next conference a report on the systems in force in each of the Governments, the history, fluctuations, and type of exchange which have taken place within the last twenty years, including the preparation of tables showing the influence of said fluctuations on commerce and industrial development; that it should study the laws that regulate public concessions in the various republics of America, with a view to obtaining information that might be useful to it; and that, finally, it should prepare a programme for the Fourth International Conference, which is to be held within the next five years.

In conclusion I desire to point out a few brief, salient facts to the business man.

I. Over 1,000 manufacturers, exporters, and importers of the United States have decided, during the last two years, through the recommendations of the International Bureau of American Republics, to enter the Latin-American field.

II. Correspondingly a large element of Latin-American business men have commenced transactions with the United States who before knew nothing of the opportunities here.

III. The number of North Americans visiting Latin America and of Latin Americans visiting North America has been greatly increased by the Bureau.



THE NEW BUILDING OF THE INTERNATIONAL BUREAU OF AMERICAN REPUBLICS, WASHINGTON, D. C.

IV. The study of the Spanish language and of Latin-American history, development, and present conditions has been inaugurated in various North-American institutions of learning, which before gave little attention to those subjects, while the number of Latin-American young men coming to attend schools in the United States has been notably augmented.

V. Chambers of commerce, boards of trade, social and literary clubs and circles, in all parts of the United States, have taken steps, under the initiative and with the cooperation of the Bureau, to familiarize their members with Latin America as they have in the past with Europe and Asia.

VI. The spirit of international friendship and mutual confidence among all the American republics has been fostered through the closer touch one with another, which the Bureau affords as an institution supported by all and in whose welfare each has an equal interest and responsibility. It must, moreover, not only oversee the acceptance of the resolutions of the last Pan-American Conference, but draw up the programme for the one which will assemble in 1910.

VII. As director, or chief administrative officer of the Bureau, I can honestly say that, while it has many shortcomings and the task of building it up has only just begun, it is always ready to give what information and assistance it legitimately can for the promotion of Pan-American trade, accord, and intercourse, and it hopes the readers of System will avail themselves of its facilities.



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